

**PUBLIC UTILITIES COMMISSION**505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298

March 16, 2021

GI-2021-01-SDG-53-03-04

Mr. Rodger Schwecke,  
Senior Vice President and Chief Infrastructure Officer  
San Diego Gas and Electric Company  
555 West 5th Street, GT21C3  
Los Angeles, CA 90013

Dear Mr. Schwecke:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a **General Order (G.O.) 112-F Comprehensive Review and Inspection of San Diego Gas and Electric Company (SDG&E)'s Operation and Maintenance (O&M) Procedures** on January 11 through 15, 2021. SED staff reviewed SDG&E's written O&M procedures pursuant to G.O. 112-F, Reference Title 49, Code of Federal Regulations (CFR), Parts 191 & 192, and used Pipeline and Hazardous Materials Safety Administration (PHMSA)'s Inspection Assistance (IA) as a reference guide to conduct the inspection.

SED's staff identified no violation of G.O. 112-F, Reference Title 49 of CFR, Parts 191& 192, but noted areas of concern; two (2) in transmission and two (2) in distribution, which are described in the attached "Post-Inspection Written Preliminary Findings".

Please provide a written response within 30 days of your receipt of this letter indicating the measures taken by SDG&E to address the concerns noted in the "Post-Inspection Written Preliminary Findings".

Thank you for your cooperation in this inspection. If you have any questions, please contact Desmond Lew, Senior Utilities Engineer (Specialist), at (213) 576-7020 or by email at dl4@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "Terence Eng".

Terence Eng, P.E.  
Program Manager  
Gas Safety and Reliability Branch  
Safety and Enforcement Division

Attachment

cc: See next page

Troy Bauer, Manager  
Pipeline Safety and Compliance  
San Diego Gas and Electric Company  
555 West 5<sup>th</sup> Street  
Los Angeles, CA 90013

Gwen Marelli, Senior Director  
Safety Management Systems  
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Mahmoud Intably  
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Desmond Lew  
Senior Utilities Engineer (Specialist)  
Safety and Enforcement Division

Claudia Almengor  
Associate Governmental Program Analyst  
Safety and Enforcement Division

# Post-Inspection Written Preliminary Findings

**Dates of Inspection:** January 11, through January 15, 2021

**Operator:** SAN DIEGO GAS & ELECTRIC CO

**Operator ID:** 18112 (primary)

**Inspection Systems:** SDG&E OME Update

**Assets (Unit IDs):** SDG&E's Main Office Inspection - Transmission

**System Type:** GT

**Inspection Name:** 2021 SDG&E's Procedure Transmission

**Lead Inspector:** Desmond Lew

**Operator Representative:** Alexander Hughes

## Unsatisfactory Results

**No Preliminary Findings.**

## Concerns

### Assessment and Repair : Integrity Assessment Via Pressure Test (AR.PTI)

Question 3. Were test acceptance criteria and processes sufficient to assure the basis for an acceptable pressure test?

References 192.503(a) (192.503(b), 192.503(c), 192.503(d), 192.505(a), 192.505(b), 192.505(c), 192.505(d), 192.507(a), 192.507(b), 192.507(c), 192.513(a), 192.513(b), 192.513(c), 192.513(d), 192.921(a)(2))

Assets Covered SDG&E's Main Office Inspection - Transmission (88389 (53A))

Issue Summary Title 49 CFR Part 192, §192.505(d) - Strength test requirements for steel pipeline to operate at a hoop stress of 30 percent or more of SMYS states:

*"For fabricated units and short sections of pipe, for which a post installation test is impractical, a preinstallation strength test must be conducted by maintaining the pressure for at least 4 hours."*

SDG&E's Gas Standard (GS) G7361, Pipeline Testing Requirements, §4.2.2, states in part:

*"Horizontally Directionally Drilled (HDD) pipe where a post-installed pressure test failure would be difficult to locate, repair or replace, shall be pretested for a minimum test duration of 4 hours at the planned post-construction hold pressure if the pipe segment will be operating at 30% SMYS or greater."*

SED recommends SDG&E revise this section to be consistent with the language stated in the regulation and to remove any ambiguity or misconception of the meaning that includes addressing:

- "short sections of pipe" and
- "a preinstallation strength test must be conducted"

## **Maintenance and Operations : ROW Markers, Patrols, Leakage Survey and Monitoring (MO.RW)**

Question 5. Does the process adequately cover the requirements for placement of ROW markers?

References 192.707(a) (192.707(b), 192.707(c), 192.707(d))

Assets Covered SDG&E's Main Office Inspection - Transmission (88389 (53A))

Issue Summary SED reviewed SDG&E's Gas Standard (GS) G8141, Pipeline Markers for compliance in the course of this inspection. §2.3 of the GS states:

*"The installation and maintenance of pipeline markers must be conducted by trained personnel familiar with the location and operation of the pipeline."*

While trained personnel may be knowledgeable in installing and maintaining pipeline, unless they have been qualified, they cannot perform the covered task "maintaining line markers for buried main and transmission". SED recommends SDG&E to revise §2.3 to replace "trained personnel" with "qualified personnel" and to ensure consistency with §6 Operator Qualification Covered Tasks, Covered Task 08.02 - Title 49 CFR, Part 192, §192.707 Maintaining line markers for buried main and transmission lines.

# Post-Inspection Written Preliminary Findings

**Dates of Inspection:** January 11, through January 15, 2021

**Operator:** SAN DIEGO GAS & ELECTRIC CO

**Operator ID:** 18112 (primary)

**Inspection Systems:** SDG&E OME Update

**Assets (Unit IDs):** SDG&E's Main Office Inspection - Distribution

**System Type:** GD

**Inspection Name:** 2021 SDG&E's Procedure Distribution

**Lead Inspector:** Desmond Lew

**Operator Representative:** Alexander Hughes

## Unsatisfactory Results

**No Preliminary Findings.**

## Concerns

### Assessment and Repair : Integrity Assessment Via Pressure Test (AR.PTI)

Question 1. Were test acceptance criteria and procedures/processes sufficient to assure the basis for an acceptable pressure test?

References 192.503(a) (192.503(b), 192.503(c), 192.503(d), 192.505(a), 192.505(b), 192.505(c), 192.505(d), 192.505(e), 192.507(a), 192.507(b), 192.507(c), 192.513(a), 192.513(b), 192.513(c), 192.513(d))

Assets Covered SDG&E's Main Office Inspection - Distribution (88390 (53B))

Issue Summary Title 49 CFR Part 192, §192.505(d) - Strength test requirements for steel pipeline to operate at a hoop stress of 30 percent or more of SMYS states:

*"For fabricated units and short sections of pipe, for which a post installation test is impractical, a preinstallation strength test must be conducted by maintaining the pressure for at least 4 hours."*

SDG&E's Gas Standard (GS) G7361, Pipeline Testing Requirements, §4.2.2, states in part:

*"Horizontally Directionally Drilled (HDD) pipe where a post-installed pressure test failure would be difficult to locate, repair or replace, shall be pretested for a minimum test duration of 4 hours at the planned post-construction hold pressure if the pipe segment will be operating at 30% SMYS or greater."*

SED recommends SDG&E revise this section to be consistent with the language stated in the regulation and to remove any ambiguity or misconception of the meaning that includes addressing:

- "short sections of pipe" and
- "a preinstallation strength test must be conducted"

## **Maintenance and Operations : ROW Markers, Patrols, Leakage Survey and Monitoring (MO.RW)**

Question 9. Does the process adequately cover the requirements for placement of ROW markers?

References 192.707(a) (192.707(b), 192.707(d), CGA Best Practices, v4.0, Practice 2-5, CGA Best Practices, v4.0, Practice 4-20)

Assets Covered SDG&E's Main Office Inspection - Distribution (88390 (53B))

Issue Summary SED reviewed SDG&E's Gas Standard (GS) G8141, Pipeline Markers for compliance in the course of this inspection. §2.3 of the GS states:

"The installation and maintenance of pipeline markers must be conducted by trained personnel familiar with the location and operation of the pipeline."

While trained personnel may be knowledgeable in installing and maintaining pipeline, unless they have been qualified, they cannot perform the covered task "maintaining line markers for buried main and transmission". SED recommends SDG&E to revise §2.3 to replace "trained personnel" with "qualified personnel" and to ensure consistency with §6 Operator Qualification Covered Tasks, Covered Task 08.02 – Title 49 CFR, Part 192, §192.707 Maintaining line markers for buried main and transmission lines.