SOUTHWEST GAS CORPORATION

Jerome T. Schmitz, P.E., Vice President/Engineering Staff

February 1, 2019

Mr. Kenneth Bruno
Program Manager
Gas Safety and Reliability Branch
Safety and Enforcement Division
State of California Public Utilities Commission
320 West 4th Street, Suite 500
Los Angeles, CA 90013

SUBJECT: General Order 112-E Operation and Maintenance Inspection of Southwest Gas Corporation's Needles District

Dear Mr. Bruno:

Southwest Gas Corporation (Southwest Gas or Company) respectfully submits this response to SED's Summary of Inspection Findings letter for the General Order 112-F Operation and Maintenance Inspection of the Company's Needles District, which was conducted November 5-9, 2018.

During SED's field inspection, SWG staff was queried about access to a valve approximately six feet high. SWG replied that a follow up work order would be created because their vehicle does not possess a ladder. SED recommends that SWG equip their vehicles with a ladder so minor repairs can be done during routine maintenance.

Southwest Gas Response:

Southwest Gas agrees with SED's recommendation and recognizes that the vehicle used during the field inspection was not equipped with a ladder. To facilitate the field inspection the Company combined personnel and resources to limit the number of vehicles used throughout the audit. However, during normal operations the vehicles used to perform inspections are properly equipped with ladders so that required maintenance and inspections tasks can be completed.

SED recommends that SWG Odorant Test Procedure 3.1 be modified to state a minimum specific time frame for an operator between consuming something by mouth and performing an Odorant Test.

Southwest Gas Response: Southwest Gas appreciates SED's recommendation. Southwest Gas, as a member of various research and development consortiums, has participated in a number of olfactory research/studies and is not aware of the stated concern. While the Company welcomes any further information, SED might be able to provide, the Company believes its odorization procedures are adequate for conducting a valid odorant test at this time.

SWG Valve Procedure 2.4.10, states, "Cycle the valve by turning it out if (sic) its normal operating position and returning it to its original position." Table 2 indicates an approximate rotation of a 90 degree turn for steel plug or ball valve. This would shut off the valve. SED recommends the amount of rotation be corrected.

Southwest Gas Response: Southwest Gas agrees with SED's recommendation and will review its Valve Procedure Section 2.4.10, Table 2, and make any revisions deemed necessary for clarification. This review and any revisions deemed necessary will be completed by March 31, 2019.

Cathodic protection reads need to be taken from an electrical test lead in good condition. SED recommends that records for the Cathodic protection leads include a comment section or check off box to note abnormal conditions such as defective or destroyed test leads.

Southwest Gas Response: Southwest Gas appreciates SED's recommendation; however, the Company currently has an Abnormal-Unusual Operating Conditions Procedure in place to document conditions such as the example of defective or destroyed test leads. The Company's Abnormal-Unusual Operating Conditions Procedure outlines how these conditions are to be documented and tracked, the timeframe for resolving the condition, and the supervisory review requirements. Southwest Gas believes its current process meets the objective of SED's recommendation. Please reference **Attachment 1** for a copy of the Company's Abnormal-Unusual Operation Conditions Procedure.

Prior to the audit, SWG had in its facility records for Relief Valve 42942 that its downstream MAOP was at 60 psi according to WR 3561588. However, the regulator set point and lockup had been found and left exceeding the downstream MAOP (at 212 psi according to the latest inspection report). On December 5, 2018, SWG completed a review of the facility inspection and maintenance records and found that the "60 psig" downstream MAOP reference was incorrectly entered into the work management system in 2007. SWG noted that the work management system is not the system of record for MAOP. SWG is conducting refresher training with employees on the importance of documentation accuracy and will complete this training by December 31, 2018. SED requests that SWG provide documentation of the contents of this refresher course including attendance sheets.

Southwest Gas Response: Southwest Gas conducted refresher training on the importance of documentation accuracy. This training was competed in January 2019 due to vacations and holiday schedules. Please reference **Attachments 2 and 3** for a copy of the refresher training and sign-in sheets.

SWG Pressure Regulation Procedure 2.4.2, Step 2, states, "Install gauges to observe both the relief valve test pressure and downstream system pressure". During SED's field inspection of exercising relief valve 19DSR5008310, SWG staff did not attach a gauge to monitor downstream pressure. When asked about the gauge, it appeared that SWG staff did not realize it was a procedure requirement.

Southwest Gas Response: As noted by SED, Company procedures require the use of pressure gauges to observe both the relief valve test pressure and downstream system pressure. Southwest Gas conducted refresher training on Pressure Regulation Procedure 2.4.2. with all applicable Measurement and Control Technicians. Please refer to **Attachment 4** for a copy of the training sign-in sheets.

We appreciate Staff's consideration of this matter and look forward to discussing any questions or concerns that you may have.

Sincerely,

Jerome T. Schmitz, P.E.
Vice President, Engineering

Attachment

cc: Brad Harris
Kevin Lang
Valerie Ontiveroz
Matthewson Epuna, CPUC
Kan Wai Tong, CPUC