

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

November 3, 2017

GI-2017-10-SWG32-01C-02C

Jerry Schmitz (jerry.schmitz@swgas.com)Vice President/Engineering
Southwest Gas Corporation
P. O. Box 98510, LVA-581
Las Vegas, NV 89193-8510**SUBJECT: General Order 112-F Gas Inspection of Southwest Gas Corporation's, Southern California Division (Victorville, Barstow, and Big Bear Districts)**

Dear Mr. Schmitz:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order 112-F inspection of Southwest Gas Corporation's (SWG) Leak Survey, Patrol, & Odorization maintenance activities, and Construction records, from October 16 through 20, 2017. The inspection included a review of SWG's records for the period of 2014-2016, as well as a representative field sample of SWG's facilities. SED staff also reviewed SWG's operator qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED staff identified no violations of General Order 112-F or Reference Title 49 Code of Federal Regulations (CFR), Part 192 during the course of this inspection. A Summary of Inspection Findings (Summary), which contains two recommendations identified by SED staff, is included as an attachment to this letter.

Within 30 days of your receipt of this letter, please provide a written response indicating the measures taken by SWG to address the recommendations noted in the Summary.

If you have any questions, please contact Alula Gebremedhin at (415) 703-1816 or by email at ag5@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Kenneth A. Bruno".

Kenneth Bruno
Program Manager
Safety and Enforcement Division, CPUC

Enclosures: Summary of Inspection Findings

cc:

Laurie Brown, Southwest Gas
Dennis Lee, SED/GSRB

SUMMARY OF INSPECTION FINDINGS

A. SED Findings

SED found no violations.

B. Areas of Concern / Observations / Recommendations

1. During SED's field inspection of Leakage Surveys, SED noted that conditions of the terrain along the pipeline could vary, where the pipeline may alternate between over and under a paved surface. Each of SWG's Leakage Surveying tools (OMD, DP-IR, etc.) has its own advantages and disadvantages, depending on terrain and weather conditions. However, this information is not documented nor does the survey map showed the exact location of the pipe, which may result in Leak Surveyors attempting to use a tool that is disadvantageous to use. Leak Surveyors currently make a determination of which tool to use for each situation based on experience.

Therefore, SED recommends documenting the ideal tool(s) to be used on each Leakage Surveying map so that Leak Surveyors can reference the maps to be advised of the best tool(s) to use.

2. SWG Odorization Policy and Procedure do not include a lower limit odorant level to identify an excessive amount of odorant inside a gas. A detectable gas smell at very low percentage of gas-in-air could be an indication of a very strong odorant in the gas, which might create a false indication of leak upon smelling gas at a very low percentage gas-in-air amount, and could resulted unnecessary "Gas-Odor Calls".

This might compromise safety work priorities to allocate the necessary resource on safety related activities. Therefore, SED recommends SWG to address a lower limit odorant level in its procedure.