SOUTHWEST GAS CORPORATION

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

December 4, 2017

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

Subject: General Order (G.O.) 112 Gas Inspection of Southwest Gas Corporation's Southern California Division (Victorville, Barstow, and Big Bear Districts)

Dear Mr. Bruno,

Southwest Gas Corporation (Southwest Gas or Company) respectfully submits the attached response to the "Summary of Inspection Findings" (Summary) issued by the Safety and Enforcement Division (SED) on November 3, 2017, with respect to its General Order 112F Inspection of Southwest Gas Corporation, Southern California Division on October 16-20, 2017.

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

Sincerely,

cc: D. Lee (CPUC)
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K. Dolcini (CPUC)
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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.

   Southwest Gas Response:

   Southwest Gas appreciates SED's recommendation. The Company believes the recommendation is best addressed through training, as the Company already trains its Leak Surveyors to determine the best surveying tools to use in each situation, based upon the location of the pipeline and environment. Southwest Gas will review its Leak Survey training materials to ensure the appropriate attention is given to equipment selection and environmental factors that need to be considered during leak survey. The Company will complete its review by March 31, 2018.

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.

   Southwest Gas Response:

   Southwest Gas appreciates SED's recommendation; however, the Company does not believe a lower limit odorant level should be included its Odorization Policy and Procedure. In the Company's experience, the majority of "Gas-Odor Calls" where high odorant levels (low gas in air readings) were encountered have resulted in the discovery of a natural gas leak.