

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

May 9, 2023

GI-2023-02-SCG-54

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

SUBJECT: GO112 Gas Inspection of SCG's San Joaquin Valley Transmission Inspection Unit

Dear Mr. Schwecke:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a General Order (G.O) 112-F inspection of Southern California Gas Company (SoCalGas) San Joaquin Valley Transmission Inspection Unit from February 6 to 10, 2023 and February 13 to 17, 2023. The inspection included a review of the Inspection Unit's maintenance activities records for the period of January 1, 2018 through December 31, 2022, and field inspections of a representative sample of the SoCalGas' facilities in Taft, Saticoy, Valencia, Bakersfield, & Visalia districts. SED staff also reviewed Operator Qualification records, which included field observation of randomly selected individuals performing covered tasks.

SED staff used the Pipeline and Hazardous Materials Safety Administration's (PHMSA) Inspection Assistance (IA) as a reference guide to conduct this inspection. SED's staff **did not** identify any probable violation of G.O. 112-F, Reference Title 49 Code of Federal Regulations (CFR), Part 192, but noted **two** areas of concern. These are described in the attached "**Post-Inspection Written Preliminary Findings**". Please provide a written response within 30 days from the date of this letter indicating the measures SoCalGas took to address the concerns.

Thank you for your cooperation in this inspection. If you have any questions, please contact Wilson Lule at (213) 392-4965 or by email at wkl@cpuc.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Terence Eng".

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

CC: Alex Hughes, SoCalGas, Kan Wai Tong, SED/GSRB, Molla Mohammad Ali, SED/GSRB, Claudia Almengor, SED/GSRB, Matthewson Epuna, SED/GSRB.

Post-Inspection Written Preliminary Findings

Date of Transmittal: 04/19/2023

Dates of Inspection: February 6-10 & 13-17, 2023

Operator: SOUTHERN CALIFORNIA GAS CO

Operator ID: 18484 (primary)

Inspection Systems: Gas Transmission

Assets (Unit IDs) with results in this report: Northwest - San Joaquin Valley (87053)

System Type: GT

Inspection Name: SCG: Transmission SJV

Lead Inspector: Wilson Lule

Operator Representative: Edwin Baires

Unsatisfactory Result:

No preliminary findings

Concerns:

Time-Dependent Threats: Atmospheric Corrosion (TD.ATM)

Question Title, ID Atmospheric Corrosion Monitoring, TD.ATM.ATMCORRODEINSP. O

Question 5. Is pipe that is exposed to atmospheric corrosion protected?

References 192.481(b) (192.481(c), 192.479(a), 192.479(b), 192.479(c), 192.481(d))

Assets Covered Northwest - San Joaquin Valley (87048 (65))

Issue Summary Title 49, CFR Part 192, Section 192:479(a) states that; *"Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere, except pipelines under paragraph (c) of this section."*

During field inspections on 2/10/2023 in Valencia district, SED observed that valve 45-163-5, and the pipeline adjacent to the valve had atmospheric corrosion.

SoCalGas must take appropriate action to ensure that portions of the pipeline that are exposed to the atmosphere are cleaned and coated, to ensure compliance with Title 49, CFR Part 192, Section 192:479(a).

Time-Dependent Threats: External Corrosion - CP Monitoring (TD. CPMONITOR)

Question Title, ID Cathodic Protection Criteria, TD. CPMONITOR.MONITORCRITERIA. O

Question 3. Are methods used for taking CP monitoring readings that allow for the application of appropriate CP monitoring criteria?

References 192.465(a) (192.463(a), 192.463(b), 192.463(c), Part 192, Appendix D)

Assets Covered Northwest - San Joaquin Valley (87048 (65))

Issue Summary Title 49 CFR, Part 192, §192.465 (a) states that: "*Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of § 192.463.*"

During field inspection on 2/13/2022 in Bakersfield district, SoCalGas recorded a pipe to soil read of -0.699V at the read point 7042-1.

SoCalGas must take appropriate action to ensure that CP pipe-to-soil reads are within the tolerance for the established CP criteria, to ensure compliance with Title 49 CFR, Part 192, §192.465 (a).

This document is for informational purposes only. It does not commit PHMSA or state pipeline safety regulators to any of the findings, analyses, determinations, conclusions or other information contained herein. All the findings, analyses, determinations, conclusions or other information in the document are preliminary in nature and subject to change without notice, at the discretion of PHMSA or state pipeline safety regulators. The absence of findings, analyses, determinations, conclusions or other information in this document does not constitute an approval of an operator's facility, records, or procedures. Future inspections or investigations may identify additional matters of concern regarding topics that were covered during this inspection.