STATE OF CALIFORNIA Gavin Newsom, Governor

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE SAN FRANCISCO, CA 94102-3298



July 17, 2023 GI-2023-04-SCG-51

Mr. Rodger Schwecke, Senior Vice President Gas Transmission, Storage & Engineering Southern California Gas Company 555 West 5th Street, GT21C3 Los Angeles, CA 90013

SUBJECT: General Order 112-F Gas Inspection of Southern California Gas Company's Basin Transmission Area 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) Basin Transmission Area (Inspection Unit) from April 17 to 21, 2023 and April 24 to 28, 2023. The inspection included a review of the Inspection Unit's maintenance activities records for the period of January 1, 2019, through December 31, 2022, and field inspections of a representative sample of SoCalGas facilities in the Basin Transmission Area. SED staff also reviewed the Basin Transmission Area's 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 identified **one** probable violation of G.O. 112-F, Reference Title 49 Code of Federal Regulations (CFR), Part 192. This is 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 taken by SoCalGas to address the probable violation.

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,

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

Generated on 2023 June 30 12:34

Date of Transmittal: 06/30/2023

Dates of Inspection: April 17 to 21 and April 24 to 28, 2023

Operator: SOUTHERN CALIFORNIA GAS CO

Operator ID: 18484 (primary)

Inspection Systems: Gas Transmission

Assets (Unit IDs) with results in this report: T: Basin (87054)

System Type: GT

Inspection Name: SoCalGas-Transmission Basin

Lead Inspector: Wilson Lule

Operator Representative: Austin Walker

Unsatisfactory Result

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 T: Basin (87054 (51))

Issue Summary Title 49, CFR Part 192, Section 192.481(c) states that; "If atmospheric corrosion is found during an inspection, the operator must provide protection against the corrosion as required by § 192. 479."

During field inspections on 4/20/2023, SED observed the following deficiencies:

1. Appearance of pipe coating degradation, with evidence of chipped paint and atmospheric corrosion throughout the entire length of the Bridge Span (**Span L1026 MP 26.80**).

SoCalGas' follow up work order **5439469** was issued on October 26, 2019, for remediation of substandard conditions that were noted on the Bridge and span **L1026 MP 26.80.**

2. Appearance of pipe coating degradation, with evidence of chipped paint and atmospheric corrosion at the base of the Bridge and Span L7677 MP 3.82.

SoCalGas had not completed remediation by the time of the SED's inspection, or by the next inspection due date after initial discovery. Therefore, SED finds SoCalGas in violation of Title 49, CFR Part 192, Section 192.481(c), for failure to provide protection against corrosion as required by §192.479.