

PUBLIC UTILITIES COMMISSION505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

October 11, 2023

GI-2023-08-SDG-53-05-14

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

Subject: G.O. 112-F Compliance Inspection of SDG&E DPP and PAP

Dear Mr. Schwecke:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission (CPUC) conducted a General Order (G.O.) 112-F Inspection of San Diego Gas and Electric Company's (SDG&E) Damage Prevention Program (DPP) and Public Awareness Program (PAP) on August 7 to 14, 2023. SED staff reviewed SDG&E's written programs, procedures, and associated records for the DPP for the period 2019 through 2022 and the PAP records for the period 2018 through 2022. In addition, SED's staff conducted field observations of SDG&E's pipeline locate and mark activities. SED utilized the Pipeline and Hazardous Materials Safety Administration's (PHMSA) Inspection Assistance (IA) software as a reference guide for this inspection.

SED's staff did not identify any probable violations of G.O. 112-F. However, SED staff noted two (2) areas of concern, which are described in the attached "Post-Inspection Written Preliminary Findings" report.

Within 30 days of your receipt of this letter, please provide a written response indicating the measures taken by SDG&E to address the concerns noted in the SED's Summary of Inspection Findings.

If you have any questions, please contact Sann Naing, Senior Utilities Engineer (Specialist) at (213) 266-4723 or by email at sn1@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: Sann Naing, SED/GSRB
Matthewson Epuna, SED/GSRB
Claudia Almengor, SED/GSRB
Alex Hughes, SDG&E

Post-Inspection Written Preliminary Findings

Dates of Inspection: August 7-14, 2023

Operator: SAN DIEGO GAS & ELECTRIC CO

Operator ID: 18112 (primary)

Inspection Systems: SDG&E Damage Prevention and Public Awareness Programs

Assets (Unit IDs) with results in this report: SDG&E (88390 88389)

System Type: GT & GD

Inspection Name: 2023 SDG&E DP and PA

Lead Inspector: Sann Naing

Operator Representative: Edwin Baires

Unsatisfactory Results

No Preliminary Findings.

Concerns

Public Awareness and Damage Prevention : Damage Prevention (PD.DP)

- 1) Question Title, Documented Damage Prevention Program - TPD, PD.DP.TPD.P ID

Question 4. Does the process specify how reports of Third Party Activity and names of associated contractors or excavators are input back into the mail-outs and communications with excavators along the system?

References 192.614(c)(1)

Assets Covered SDG&E (87058 (48))

Issue Summary SDG&E uses the number of damages per 1,000 USA tickets as one of key observations in its internal annual Public Awareness Program audits. This parameter is used as one of the criteria by the Damage Prevention (DP) industry to measure the effectiveness of the DP program. The industry uses the data reported by the operators in their PHMSA annual reports. While it is good practice to look at this data, it is also important that the data used for this evaluation be consistent and accurate. SED noted that SDG&E's 2022 Public Awareness Program annual report showed the total damages in 2022 to be 246 while SDG&E's annual PHMSA report (Form F7100-1) showed the total number of damages to be 302.

Furthermore, review of the SDG&E's annually reported data, SED noted that the damaged percentage related to "Locating Practices Not Sufficient" criterion (percentage of total excavation

damages) has consistently increased in recent years, from 1% in 2019 to 5% in 2022 (2% - 2020 and 3% - 2021 respectively).

SED recommends that SDG&E review and evaluate its records and data to identify the inaccuracies in its data. Also, SED recommends that SDG&E drive the improvements in identified areas.

On September 11, 2023, SDG&E provided the following response:

"SDG&E will evaluate data sources to verify consistency, accuracy and opportunities for further improvement."

SED would like to request a status update on SDG&E's identification of data deficiencies noted in SED's inspection findings.

2) Question Title, Damage Prevention Program, PD.DP.PDPROGRAM.R
ID

Question 7. Does the damage prevention program meet minimum requirements specified in 192.614(c)?

References 192.614(c)

Assets Covered SDG&E (87058 (48))

Issue Summary SDG&E gas standard procedure, G8123 - Underground Service Alert and Temporary Marking, Section 4.6.19 states:

"If previous company marks are visible within the delineated excavation location, the locator must attempt to verify those marks are accurate. Marks found to be inaccurate must be concealed. For example: Inaccurate marks on asphalt may be concealed with black paint. Notify supervisor if previous location marks for the same USA ticket appear to be marked at incorrect location."

During the 2019 inspection of SDG&E's Damage Prevention program, SED expressed its continued concern that SDG&E's program procedure, as currently written. The procedure did not have a process to capture and document inaccuracies. Without such a process, it will be difficult to determine the root cause of actual issues and how to remediate it and prevent recurrence. SED recommends that SDG&E establish a process to follow and document the outcome that may pinpoint the root causes of the inaccurate pipeline markings.

On September 11, 2023, SDG&E provided the following response:

"SDG&E will develop a written process within its gas standard. SDG&E will provide a copy of the gas standard once it is updated."

SED would like to request a status update on SDG&E's effort to develop a written process within its gas standard.