

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



October 29, 2018

Roger Schwecke, Senior Vice President
Trace
Gas Operations and System Integrity
Southern California Gas Company
555 West 5th Street, GT21C3
Los Angeles, CA 90013

GI-2018-03-SEM-PSEP Mat

Subject: SED's closure letter for General Order (GO) 112-F Construction Safety Assurance Inspections of Southern California Gas Company's (SoCalGas) and San Diego Gas and Electric Company's (SDG&E) Pipeline Safety Enhancement Plan (PSEP).

Dear Mr. Schwecke:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission reviewed the Southern California Gas Company's (SCG) and San Diego Gas and Electric Company's (SDG&E) response letter dated September 7, 2018 regarding the identified issue in the General Order (GO) 112-F Construction Safety Assurance Inspections of Southern California Gas Company's (SoCalGas) and San Diego Gas and Electric Company's (SDG&E) Pipeline Safety Enhancement Plan (PSEP) was conducted from November 13 – 17, 2017 and March 19 – 23, 2018.

A summary of the inspection findings documented by the SED, SCG's response to the findings, and SED's evaluation of SCG's response to each finding and recommendation outlined in the attached summary of inspection findings.

This letter serves as the official closure of the 2018 GO 112-F inspection of Construction Safety Assurance Inspections of Southern California Gas Company's (SoCalGas) and San Diego Gas and Electric Company's (SDG&E) Pipeline Safety Enhancement Plan (PSEP) and any matters that are being recommended for enforcement will be processed through the Commission's Citation Program or a formal proceeding.

Thank you for your cooperation in this inspection. If you have questions, please contact Ha Nguyen, at (213) 576-5762 or by e-mail at hn1@cpuc.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthewson Epuna".

Matthewson Epuna
Program & Project Supervisor
Gas Safety and Reliability Branch
Safety and Enforcement Division

CC: Ha Nguyen, SED/GSRB
Claudia Almengor, SED/GSRB
Troy Bauer, Sempra
Kelly Dolcini, SED/GSRB

**Summary of Inspection Findings
Pipeline Safety Enhancement Program Inspection
November 13-17, 2017 and March 19-23, 2018**

SED's Recommendation

SED reviewed construction records of completed PSEP projects and field verification of selected projects to validate if Sempra has conducted Quality Assurance (QA) and Quality Control (QC) monitoring and inspections as outlined in its PSEP Standard Procedures SP-1101 (Quality Plan for PSEP). SED recommends that Sempra conduct and document all unannounced field inspections of all its PSEP construction projects in order to verify that all construction activities and processes are performed in accordance with the spirit and letters of the QA/QC Plan.

RESPONSE:

SoCalGas and SDG&E support SED's recommendation to conduct and document unannounced field inspections in addition to the announced field inspections they already conduct. The Gas Compliance Quality Management (GCQM) will select, prioritize and conduct unannounced field quality assessments based on the PSEP Construction 30-Day Look Ahead Schedule. GCQM will select projects that are actively in construction and have daily observable covered tasks as listed in the construction activities column in the PSEP Construction 30-Day Look Ahead Schedule. Unannounced PSEP field inspections will be conducted without prior notice given to the respective Construction Manager. Projects will be assessed using the standardized PSEP Field Quality Assessment template which is documented digitally. PSEP Standard Procedures SP-1101 will be revised to provide for this procedure.

SED's CONCLUSION:

SED has reviewed SoCalGas' (SCG) and San Diego Gas and Electric Company's (SDG&E) response and accepts the corrective actions that it has articulated and implemented. However, SED may review the records of the corrective action during future inspections.