

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



August 7, 2017

Jimmie Cho, Senior Vice President  
Gas Operations and System Integrity  
Southern California Gas Company  
555 West 5<sup>th</sup> Street, GT21C3  
Los Angeles, CA 90013

GI-2017-01-SCG54-01C

**Subject: SED's closure letter for General Order (GO) 112-F Inspection of Southern California Gas Company's Operation and Maintenance Patrolling and Leakage Survey programs in the San Joaquin Valley Transmission System**

Dear Mr. Cho:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission reviewed Southern California Gas Company's (SCG) response letter dated April 28, 2017 regarding the findings identified in the G.O. 112-F inspection of SCG's San Joaquin Valley Transmission Operation and Maintenance (Inspection Unit) Patrolling and Leakage Survey programs. This inspection of SCG's San Joaquin Valley Transmission Inspection Unit was conducted on January 23 thru 27, 2017.

Attached is a summary of SED's inspection findings, SoCalGas' response to SED's findings, and SED's evaluation of SoCalGas' response to the identified Probable Violation, and the recommendation.

This letter serves as the official closure of the 2017 G.O. 112-F inspection of SCG's San Joaquin Valley Transmission facilities and any matters that are being recommended for enforcement will be processed through the Commission's Citation Program.

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

Sincerely,

A handwritten signature in blue ink that reads "Dennis Lee".

Dennis Lee, P.E.  
Program and Project Supervisor  
Gas Safety and Reliability Branch  
Safety and Enforcement Division

CC: Ha Nguyen, SED/GSRB, Matthewson Epuna, SED/GSRB, Troy Bauer, Sempra, Kelly Dolcini, SED/GSRB, Kan Wai Tong, SED/GSRB, & Kenneth Bruno, SED/GSRB

## Summary of Inspection Findings

### **2016 SCG San Joaquin Valley Transmission Area - Inspection Unit (Taft and Valencia) January 23-27, 2017**

#### **I. SED Identified Probable Violation**

##### **Title 49 CFR, Part 192 §192.467 External Corrosion control: Electrical Isolation. §192.467(b) External Corrosion control Electrical Isolation states in part:**

*(b) "One or more insulating devices must be installed where electrical isolation of a portion of a pipeline is necessary to facilitate the application of corrosion control."*

On January 26, 2017, SED's staff observed during the field inspection that SCG's above ground transmission pipeline 235-234.99 at Valencia District had the following deficiencies that were not identified. The pipe supports were not insulated from the carrier pipeline. Therefore, SCG is in violation of General Order 112-F, Reference Title 49 CFR, Part 192, Section §192.467(b).

##### **SCG's RESPONSE:**

SoCalGas disagrees with SED's interpretation of the scenario. Although there was no insulator at this location, the pipe had moved such that the old insulator had been displaced and there was a clear gap between the pipe and pipe support. At no time was there any electrical short causing deficient CP corrosion control on the pipeline.

Pipe-to-soil reads were made at the time of the CPUC Audit on Line- 235 at MP 234.99. The pipe-to-soil reads were above the required levels of protection, i.e., over .85mV. Moreover, the pipeline was not resting on the support at this location; there was no contact with the pipe support at all. Nevertheless SoCalGas subsequently installed an insulator between the support and the pipeline. The pipeline was checked for corrosion at this time and there was no corrosion in the gap between the pipe and pipe support.

##### **SED's Conclusion:**

SED reviewed SCG's response and agreed with the corrective actions implemented by SCG to address the missing insulator. SED may review the records of the corrective action during future inspections.

#### **Concern and Recommendation**

On January 28, 2017, during field inspection of Line 800 (Taft district – Location ID 800-14.57), SED's staff observed line markers near the pipeline facility that were unreadable. SCG's record showed that SCG's personnel inspected this facility on June 06, 2016. The line markers did not

become unreadable within six months after then last inspection. SED recommends that SCG evaluate its patrolling performance results and training.

**SCG's RESPONSE:**

SoCalGas will change the signs as required. SoCalGas has taken SED's recommendation into consideration and, in order to prevent a recurrence, local management will communicate with employees the requirement to have legible signs at all times and to replace those that show signs of fading.

**SED's Conclusion:**

SED has reviewed SoCalGas' response and accepts the corrective actions that it has articulated and implemented. SED may review the records of the corrective action during future inspections.