

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298



November 18, 2022

GI-2022-08-SDG-47-02ABC

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: General Order (GO) 112-F Comprehensive Operations and Maintenance Inspection of San Diego Gas and Electric Company's (SDG&E) Distribution North Inspection Unit

Dear Mr. Schwecke:

The Safety and Enforcement Division (SED) of the California Public Utilities Commission conducted a **General Order (GO) 112-F Comprehensive Operations and Maintenance Inspection of San Diego Gas and Electric Company's (SDG&E) Distribution North Inspection Unit** on August 1 through 5, 2022. SED used the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety's "Inspection Assistant Form" as a reference guide to conduct the inspection. The inspection included a review of SDG&E's records from calendar years 2017 to 2021 and field inspections of selected pipeline facilities in the SDG&E's North Coast and Northeast Districts. SED's staff also reviewed the implementation of the Operator Qualification program, which included field observation of randomly selected individuals performing covered tasks.

SED's staff identified one (1) probable violation of GO 112-F, Reference Title 49 Code of Federal Regulations (CFR), Part 192, and noted six (6) areas of concern, which are described in the attached "Post-Inspection Written Preliminary Findings".

Please provide a written response within 30 days of your receipt of this letter indicating the measures taken by SDG&E to address the probable violation and concerns noted in the "Post-Inspection Written Preliminary Findings".

Thank you for your cooperation in this inspection. 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: Alex Hughes, SoCalGas
Gwen Marelli, SoCalGas
Sann Naing, SED/GSRB
Matthewson Epuna, SED/GSRB
Kan Wai Tong, SED/GSRB
Claudia Almengor, SED/GSRB

Post-Inspection Written Preliminary Findings

Dates of Inspection: August 1-5, 2022

Operator: SAN DIEGO GAS & ELECTRIC CO

Operator ID: 18112 (primary)

Inspection Systems: SDG&E GD North District (North Coast & North East Districts)

Assets (Unit IDs) with results in this report: District North (87074)

System Type: GD

Inspection Name: 2022 SDG&E District North Distribution

Lead Inspector: Sann Naing

Operator Representative: Edwin Baires

Unsatisfactory Results

Records : Corrosion Control (PRR.CORROSION)

Question Title, ID Cathodic Protection Monitoring, TD.CPMONITOR.TEST.R

Question 8. Do records adequately document cathodic protection monitoring tests have occurred as required?

References 192.491(c) (192.465(a))

Assets Covered District North (87074 (47))

Issue Summary On July 8, 2022, SDG&E provided a list of four (4) work orders (WO# 510000889235, 510000889323, 510000889327, and 510000798797), that required compliance inspections. Three of the four reported work orders were completed within the required compliance windows. However, one of the four work orders (CP10) was past due its compliance inspection window (the work order #510000798797, that is designated as CP10 functional location GD.SDG.NRE.CP.10P_YR2_RT19). SDG&E missed the inspection compliance window for 18 out of 98 CP10 areas in the 2021 compliance cycle. These 18 CP10 areas were reported to the Commission through the "exception reports" program and SDG&E indicated in its report that its system error was the cause of missing the compliance window. On June 29, 2022, SDG&E began compliance action on these CP10 areas that were in non-compliance and completed thereafter.

Title 49 CFR, Part 192, Section 192.465(a) states:

"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. However, if tests at those intervals are impractical for separately protected short sections of mains or transmission lines, not in excess of 100 feet (30 meters), or separately protected service lines, these pipelines may be surveyed on a sampling basis. At least 10 percent of these protected structures, distributed over the entire system must be surveyed each calendar year, with a different 10 percent checked each subsequent year, so that the entire system is tested in each 10-year period."

SDG&E failed inspect these 18 CP10 areas within the compliance window. Therefore, SDG&E is in violation of Title 49 CFR, Part 192 §192.465(a).

Concerns

Records : Operations And Maintenance (PRR.OM)

Question Title, ID Distribution Patrolling, MO.RW.DISTPATROL.R

Question 19. Do records indicate distribution patrolling was conducted as required?

References 192.603(b) (192.721(a), 192.721(b))

Assets Covered District North (87074 (47))

Issue Summary SDG&E's bridge span BS-53 (Vista Bridge Span #53 - Haymar Drive and South Vista Way) inspection records indicated misalignment due to bent support that was not remediated since 2020 (WO# 510000755982 and WO# 510000824713 respectively). On August 3, 2022, SED visited BS-53 and observed SDG&E employee ID#0500 perform the span inspection. SED queried the employee if SDG&E repaired the bent support that caused the misalignment and the employee indicated that the condition was still unmitigated, and the bent support has not been repaired.

On August 5, 2022 during SED's inspection, SDG&E explained that its Gas Engineering (GE) visited the site on November 10, 2021, to evaluate the pipe and the bent supports. Gas Engineering determined that the supports were sufficient and there were no concerns with the pipe alignment. Gas Engineering recommended applying grease to the supports to aid in possible pipe movement. On August 19, 2022, SDG&E indicated that its Gas Engineering revisited BS-53 on August 17 and made the following determination:

- All 5 hangers located under the total 72-foot span of the bridge were in good condition.
- The pipe hangers in the second and fourth position have the 1-1/2" STL pipe slightly off the roller. The wax tape seems to be caught on the roller and is holding the second bracket in misalignment.
- All rollers seem to require oil as they do not allow for much movement on inspection.

SDG&E indicated that it will oil the rollers and place the pipe back in full alignment on the rollers. SED would like SDG&E to provide the timeline for completion of the corrective action it articulated.

Pipeline Field Inspection : Pipeline Inspection (Field) (FR.FIELDPIPE)

Question Title, ID Customer Meters and Regulator Location, DC.METERREGSVC.CUSTOMETERREGLOC.O

Question 4. Are meters and service regulators being located consistent with the requirements of 192.353?

References 192.351 (192.353(a), 192.353(b), 192.353(c), 192.353(d))

Assets Covered District North (87074 (47))

Issue Summary On August 3, 2022, during SED field visit to Valve ID# 10017, SED observed a nearby regulator station (Station number 969) where a car parked over the vault cover. SED shared its observation with SDG&E's representative that the regulator station did not have barriers to prevent vehicular damage. On August 19, 2022, SDG&E informed SED that it has generated work order number 300000524053 for the installation of a barrier post to be installed around Regulator station 969 and that the work is scheduled to be completed within 6 months after city permit approval.

Also, on August 4, 2022, during field inspection, SED observed a gas meter at the location of [REDACTED] Fallbrook, CA 92028 that was exposed to vehicular traffic but lacked a barrier post. On August 26, 2022, SED received an "As-Built Smart Form" from SDG&E with a Work Order (WO #) number 530000289454 for the planned barrier post installation. SDG&E indicated that it would provide the As-Built information when it completes the barrier post installation.

SED accepts the remedial actions articulated by SDG&E but may review and reassess these items during future inspections.

Question Title, ID Inspection/Testing to Ensure Electrical Isolation, TD.CP.ELECISOLATETEST.O

Question 20. Do field observations verify that inspection and electrical testing ensured that electrical isolation is adequate?

References 192.467(d)

Assets Covered District North (87074 (47))

Issue Summary On August 4, 2022, during field inspection, SED observed an SDG&E crew performing inspection of a Rectifier (CP package 31.1). The Rectifier breaker tripped during the inspection and shut off the power supply to the unit. After SDG&E's crew reset the breaker, SDG&E took a CP (cathodic protection) pipe-to-soil read near the intersection of Midway Drive and Valley Parkway. The read was below the SDG&E's established minimum tolerance. On August 18, 2022, SDG&E provided a CP-Troubleshooting - IMP form with a WO # 510000899871 SED. The work order indicated that a new rectifier was installed, and the old rectifier was sent to shop for investigation. On August 19, 2022, SED received three photographs that showed a pipe-to-soil read of -0.9458V that was taken at the intersection of Midway Drive and Valley Parkway which indicated that the read point was in compliance and above the minimum tolerance. SED accepts the remedial action taken by SDG&E but may review and reassess this issue during future inspections.

Question Title, ID Odorization of Gas, MO.GOODOR.ODORIZE.O

Question 34. Is sampling of combustible gases adequate using an instrument capable of determining the percentage of gas in air at which it becomes readily detectable?

References 192.625(a) (192.625(c), 192.625(d), 192.625(e), 192.625(f))

Assets Covered District North (87074 (47))

Issue Summary SDG&E's Gas Standard, Procedure G8130 – Operation of Odorator, require that the gas source pressure to the Odorator be regulated to 4 psig or below and verified with a pressure gauge before performing an odor intensity test. On August 4, 2022, during field inspection, SED observed an odor test technician performing the odor intensity test at station OP. 53 in the North-East District. The technician used a portable gas regulator and regulated the gas pressure to approximately 4 psig for the test. SED asked if the pressure gauge being used was calibrated, and the last calibration date. The technician indicated that the gas standard did not require calibration of that pressure gauge, and he did not know if it was calibrated. SED believes that the calibration of the pressure gauge is important to ensure that the inlet gas pressure into the odorator is within 4 psig or below as prescribed in SDG&E's Gas Standard. SDG&E should ensure that the gas pressure into the odorator is at the prescribed value.

Question Title, ID Vault Inspection, FS.FG.VAULTINSPECT.O

Question 41. Are inspections of selected vaults with internal volume =200 cubic feet (5.66 cubic meters) housing pressure regulating/limiting equipment adequate?

References 192.749(a) (192.749(b), 192.749(c), 192.749(d))

Assets Covered District North (87074 (47))

Issue Summary On August 3, 2022, during field inspection, SED observed the inspection of Regulator Station ID #1505. There were two vaults that housed the regulators. One of the vaults was marked as a 200 cubic feet vault while the other vault was not marked as a 200 cubic feet vault. SED recommended that SDG&E determine the dimensions of the unmarked vault. On August 18, 2022, SED received a Regulator Station work order 510000899763 that listed all the issues noted during the field inspection at Regulator Station ID #1505. SDG&E's Region Engineering and Gas Design teams informed SED that the unmarked vault dimension was less than 200 cubic feet. Also, SDG&E provided a copy of the vault drawing, that confirmed the dimensions. SED accepted the remedial action taken by SDG&E but may review and reassess this issue during future inspections.

Topical Content (OQ, PA, CRM): OQ Field Inspection (MISCTOPICS.PROT9)

Question Title, ID Verification of Qualification, TQ.PROT9.VERIFYQUAL.O

Question 5. Observe in the field (job site, local office, etc.) that the foreman/supervisor/manager has verified the qualification of the individual performing the task, that the qualification records are current, and ensure the personal identification of all individuals performing covered tasks are checked, prior to task performance.

References 192.801(a) (192.809(a))

Assets Covered District North (87074 (47))

Issue Summary On August 3, 2022, SDG&E's leak survey technician conducted a leakage survey of the area 1088_A2_49 (near the address [REDACTED]) in Vista, CA. The supervisor of the leak survey technician was not present at the field during the inspection. SED inquired if any of SDG&E's supervisors on the site verified leak survey technician's operator qualifications records prior to performing the leakage survey. It appeared that the supervisors did not verify his qualification records prior to conducting the leakage survey. SDG&E's supervisors should verify the

identification of personnel and their operator qualification records prior to performing covered tasks.

On August 26, 2022, SDG&E provided SED the following explanation on SDG&E's Verification of Qualification process:

"If an employee does not have a required task based on their position, an automated email will be sent to the employee's supervisor and that employee will show up on the nightly "not qualified list". When operator qualifications are approaching their due date for requalification, an autogenerated email notification is sent to the supervisor in intervals of 90/60/30 days. Lastly, to give visibility of operator qualifications to all employees within a specific group, a report of each department's OQ's are provided to all supervisors of the department on a quarterly basis.

SED acknowledged that SDG&E's automated "Qualification Verification" tracking process is adequate to ensure that only qualified persons are authorized to perform covered tasks. However, SED may review SDG&E's stated process during future inspections.