SAN DIEGO GAS & ELECTRIC COMPANY SOUTHERN CALIFORNIA GAS COMPANY PIPELINE SAFETY & RELIABILITY PROJECT (PSRP) (A.15-09-013) (DATA REQUEST ORA-15) Date Requested: June 16, 2016 Date Responded: July 1, 2016

QUESTION 1:

Please provide an electronic copy of the most recent Monthly Pipeline Safety Enhancement Plan (PSEP) Status Report of Southern California Gas Company (SoCalGas) and San Diego Gas & Electric (SDG&E) as required pursuant to D.12-04-021. Based on the above subject, the most recent PSEP report, please provide responses below and cite the reference page in either the report or D.14-06-007 which supports the response.

- a) The number of miles of transmission pipeline reported which have been successfully hydro tested to date and covered by the SoCalGas and SDG&E PSEP decision tree authorized in D.14-06-007;
- b) The total number of miles of transmission pipeline which are subject to hydro testing pursuant to the SoCalGas and SDG&E PSEP decision tree authorized in D.14-06-007;
- c) The number of miles of transmission pipeline reported which have been successfully replaced to date and covered by the SoCalGas and SDG&E PSEP decision tree authorized in D.14-06-007;
- d) The total number of miles of transmission pipeline which are subject to pipeline replacement rather than hydro testing pursuant to the SoCalGas and SDG&E PSEP decision tree authorized in D.14-06-007;
- e) The number of miles of transmission pipeline reported which have been successfully pigged through in-line inspection (ILI) rather than hydro tested pursuant to the SoCalGas and SDG&E PSEP decision tree authorized in D.14-06-007; and
- f) The total number of miles of transmission pipeline which are subject to ILI rather than hydro tested pursuant to the SoCalGas and SDG&E PSEP decision tree authorized in D.14-06-007.
- g) The number of hydro tests reported which did not lead to an initial successful outcome and required either SoCalGas or SDG&E to conduct a second or even a third hydro test which eventually led to a successful outcome.
- h) The extent of any customer issues reported during the conduct of the hydro tests described in the responses to items (a) and (g) above.

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RESPONSE 1:

Electronic copies of the monthly Pipeline Safety Enhancement Plan (PSEP) Status Report of SoCalGas and SDG&E can be found here: http://www.sdge.com/regulatory-filing/469/gas-pipeline-safety-order-instituting-rulemaking-2011.

Please note that total mileage subject to hydrotesting or replacement and actual mileage hydrotested or replaced is not reported in the SoCalGas-SDG&E PSEP Status Report or in Attachment I of D.14-06-007. Miles shown in the Monthly PSEP Status Report and in Attachment I of D.14-06-007 reflect the mileage "as filed" in the Amended PSEP application, and therefore may not match to the actual mileage hydrotested or replaced when projects are executed.

- a) As of April 2016, approximately 74 miles of pipe have been successfully hydrotested as part of SoCalGas and SDG&E's PSEP.
- b) SoCalGas and SDG&E anticipate hydrotesting approximately 90 miles¹ in Phase 1 of PSEP.
- c) As of April 2016, approximately 31 miles of pipe have been successfully replaced as part of SoCalGas and SDG&E's PSEP.
- d) SoCalGas and SDG&E anticipate replacing approximately 141 miles² in Phase 1 of PSEP.
- e) As of April 2016, there are 0 miles of pipe that were in-line inspected rather than hydrotested.
- f) The decision tree does not identify mileage that would be in-line inspected rather than hydrotested or replaced.
- g) To date, SoCalGas and SDG&E's PSEP have 0 hydrotests which did not lead to an initial successful outcome (e.g., a failed hydrotest). There have been instances where repairs were made after the initial hydrotest and another hydrotest was performed or the initial hydrotest had to be restarted.
- h) Conducting hydrotests is complex especially in congested or populated areas. Hydrotests require extensive coordination with customers and the communities where the hydrotest occurs. This includes minimizing customer impacts by coordinating the hydrotest around scheduled outages and planned maintenance, or providing temporary service through the installation of bypass(es) or the use of LNG or CNG. This also involves safely and prudently conducting the tests to minimize the impact to the surrounding communities; for example, locating and using an appropriate laydown yard, installing equipment to minimize noise, and implementing traffic control plans and installing security equipment to enhance the safety and minimize disruption. Additionally, hydrotests can reveal pipeline integrity concerns that require mitigation (*e.g.*, targeted repairs or replacement) and can add costs and lengthen the

¹ Mileage does not include the Pipeline Safety & Reliability Project (separately filed in A.15-09-013) or Line 85 (which is currently being evaluated).

² See footnote 1.

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time required to successfully complete the hydrotest. Some hydrotests require segmenting the pipeline into smaller sections and repeating the tests until the leaking segment isolated, which may cause disruption to the communities involved (e.g. additional excavations, traffic lane closures, noise, construction equipment, etc.) Examples of issues that may arise during hydrotests include: Cracks on the coating of the tees and leaking flanges, gaskets, or valves. These issues can delay completion of the hydrotest.

As a result of considerable effort to address these issues, PSEP only had one customer issue reported during the course of a hydrotest. During the de-watering portion, a customer filed an informal complaint to the CPUC³ claiming that a strong gas odor was detected inside their building, causing them to evacuate. The customer then realized that the odor was coming from outside the building.

As a specific example of the complexity and issues that may arise while hydrotesting, during the Line 6916⁴ hydrotest, SoCalGas had to stop the hydrotest because of a pressure drop that SoCalGas later determined to be because of a leak. Subsequently, SoCalGas created a test break point and segmented the hydrotest into two sections to help locate the leak. SoCalGas then restarted the hydrotest in two sections. During the hydrotest, the first section held the test, but the second section did not (the second section test dropped in pressure). SoCalGas determined the drop in pressure was caused by a leak somewhere along the second section. Subsequently, the leak was found and necessary permits were obtained and the area was excavated at that location where the leak was found. Once the repair was completed, the test was conducted and passed. In other words, what was expected to be completed in one hydrotest, ultimately took four tests.

³ CPUC Informal Complaint File No. 365689.

⁴ Note: This project is not a PSEP-related project and the hydrotest occurred between 2007-2008