APPLICATION FOR REVIEW OF COSTS INCURRED IN EXECUTING PIPELINE SAFETY ENHANCEMENT PLAN (PSEP) (A.18-11-010)

(SCGC Data Request-05)

Date Requested: April 19, 2019 Date Responded May 3, 2019

Regarding the Line 2003 Section 2 Hydrotest Project

QUESTION 5.1:

- 5.1. With respect to workpaper at WP-III-A830 that states:
 - SoCalGas and SDG&E performed a PSEP Decision Tree analysis of Line 2003 Section 2 and initially confirmed the project design should commence as a Replacement Project.
 - 5.1.1. Prior to the completion of the Sections 1,3 and 4, did the Project Team ever consider performing Sections 1, 2, 3, and 4 as a single hydrotest project?
 - 5.1.2. Please identify and discuss each of the factors that would have prevented Sections 1, 2, 3, and 4 from being performed as a single hydrotest project.
 - 5.1.3. Did the Project Team ever consider performing the Sections 1, 2, and 3 as a single hydrotest project?
 - 5.1.4. Please identify and discuss each of the factors that would have prevented Sections 1, 2, and 3 from being performed as a single hydrotest project.

RESPONSE 5.1:

- 5.1.1. No. Although the 2011 Pipeline Safety Enhancement Plan (A.11-11-002) listed Line 2003 as a 26.5 mile hydrotest, the assessment was preliminary and a single hydrotest was not envisioned.
- 5.1.2. Once scoping and record review was completed for Line 2003, the Category 4 pipeline segments remaining to be addressed were each less than 1000 feet, leading to an initial decision tree outcome of replacement. Subsequent engineering and design review took into consideration the impacts on customers and the community, the piggability of the line, history of leaks, constructability issues and permitting and land rights restrictions, and determined that hydrotesting was the best option. Sections 1, 2, 3, and 4 were not performed as a single hydrotest for the following reasons:
 - <u>Timing and Scheduling</u> In order to meet the Commission's objective of executing PSEP as soon as practicable, SoCalGas and SDG&E determined that the necessary permitting and land rights negotiations likely could not be resolved synchronously for four sections located in different cities. The Project Team executed each section as soon as permits and land rights were obtained to achieve project completion as soon as practicable.
 - <u>Project length</u> A single hydrotest would have spanned 22 miles between Section 1 in Downey and Section 4 in Los Angeles/Culver City. A single hydrotest of this length would have required more than 4 million gallons of water, which is more than can be reasonably handled and discharged within such a densely populated area. Moreover, a rupture of this

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magnitude of water is too great of a risk to impose on the community. Please see the attached map of Line 2003, Sections 1, 2, 3 and 4.

- <u>Multiple jurisdictions and agencies</u> This pipeline passes through multiple cities and through the jurisdiction of many agencies. Permitting times vary between cities, counties and agencies, which could lead to delays.
- <u>Constructability</u> The complexity of preparing this length of pipeline for a hydrotest would have been costly and delayed construction for an indeterminate amount of time. The entire length of pipe would have been examined for any potential leaks or other conditions that would need to be resolved to prepare the pipeline for the hydrotest.
- <u>System impact</u> It was not feasible to shut down 22 miles of pipeline during the months preceding the hydrotest when construction would have occurred, while continuing to meet SoCalGas' obligation to serve the multitude of customers served off this pipeline.

5.1.3. No.

5.1.4. As explained in response to SCGC DR-05 question 5.1.2, in accordance with the approved PSEP Decision Tree, the Line 2003 Section 2 project was planned and designed as a replacement project. To complete the project as a replacement project, SoCalGas and SDG&E sought a Temporary Right of Entry (TRE) for executing jack-and-bore construction, but were unable to reach an agreement with the landowner. At that time, the project team reassessed the project and determined it was feasible to re-design and execute the project as a hydrotest.

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QUESTION 5.2:

5.2. Please breakdown the \$0.837 million actual cost for Engineering & Design that is listed on page WP-III-A840 into the engineering and design activities associated with Section 2 as a replacement project versus the engineering and design activities associated with Section 2 as a hydrotest project.

RESPONSE 5.2:

The attached supporting documents include Confidential and Protected Materials provided pursuant to PUC Section 583, GO 66-D, D.17-09-023, the accompanying declaration, and/or non-disclosure agreement.

Please see the attached cost data spreadsheet.

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QUESTION 5.3:

5.3. Please provide a listing of the individual amounts charged to the category Engineering & Design showing the date, the name of the entity providing the services, and the amount of the charge for the services.

RESPONSE 5.3:

Please refer to the cost data spreadsheet provided in response to SCGC DR-05 question 5.2.

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QUESTION 5.4:

5.4. Please provide larger higher resolution versions of Figures 1 and 2.

RESPONSE 5.4:

Please find attached enlarged versions of the figures provided in workpapers. These maps are provided in the highest resolution available given that SoCalGas and SDG&E overlay their GIS maps with Google Earth images.