

Decision 84 G4 008

APR 4 1984

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

**ORIGINAL**

In the Matter of the Application of  
 CP NATIONAL CORPORATION, PACIFIC GAS  
 AND ELECTRIC COMPANY, SAN DIEGO GAS  
 AND ELECTRIC COMPANY, SOUTHERN  
 CALIFORNIA GAS COMPANY, SOUTHWEST  
 GAS CORPORATION, public utility gas  
 corporations, for an Order Modifying  
 General Order No. 112-D adopted  
 June 5, 1979, in Decision No. 90372  
 in order to conform with the changes  
 to the Minimum Federal Safety  
 Standard, issued by the Department of  
 Transportation, Materials Trans-  
 portation Bureau, as more particularly  
 set forth in the Application herein.

Application 83-05-56  
(Filed May 23, 1983)

O P I N I O N

CP National Corporation, Pacific Gas and Electric Company, San Diego Gas and Electric Company, Southern California Gas Company, and Southwest Gas Corporation (applicants), are all engaged in the purchase, distribution and/or sale of natural gas within California. Applicants request that the Commission modify certain parts of General Order 112-D to conform with changes to Title 49 CFR Part 192, the Minimum Federal Safety Standards, issued by Materials Transportation Bureau, Department of Transportation (DOT). Copies of the proposed amendments are attached to the application as Exhibits A through K.

DOT has amended eleven sections of Title 49 CFR Part 192. These changes, of which we take official notice, were issued as

Amendment 192-43, Docket PS-73, Federal Register, Volume 47, No. 204, Pages 46850-2, October 21, 1982 and became effective November 22, 1982. In the supplementary information provided for this rulemaking, DOT noted that the adoption of the changes would result in substantial savings to consumers and the industry, without any adverse impact on public safety. The new regulations were promulgated without notice and public proceedings.

The eleven sections of Title 49 CFR Part 192 specify the frequency at which required inspections, tests, and other activities must be performed. Before amendment, these sections required these activities to be performed within a fixed interval. The wording limited the applicants' ability to flexibly schedule the required activities. To comply with the fixed interval, a utility would need to perform the activity on the same day each year, which would frequently not be possible because of emergency work, holidays, etc., or it would have to perform the activity at intervals less than those specified. Applicants state that as a practical matter, this would cause the schedules continually to regress. They cite, for example, that district regulator inspection and testing should normally be performed annually before the winter heating season to insure the facilities are properly functioning. The fixed interval requirement would cause the date for inspection and testing to regress, and in time, to the spring or winter months. During the spring and winter months, gas loads are normally high along with an increased workload due to gas operating requirements. Scheduling the removal of these regulating facilities from service can be difficult. Along with the heavy operating manpower requirements, inclement weather can disrupt schedules over an extended period of time. They further state that in a few areas ice and snow conditions could render surveys and inspections ineffective. To avoid these operational problems, more frequent (twice a year) inspections, surveys, and testing could be

required resulting in increased costs. Applicants aver that experience indicates that more frequent inspection intervals are not justified. -

DOT recognized industry's operating problems and the added cost borne by the customers, and it determined that there would be no adverse impact on safety if it amended Title 49 CFR Part 192 to permit increased flexibility in the interval between inspections, tests, and other activities while retaining the basic frequency of inspection. Certain amended sections allow for 15 months flexibility in the interval between inspections. For instance, Title 49 CFR Part 192 now permits annual inspections to be made "at intervals not exceeding 15 months, but at least once each calendar year". The frequencies for quarterly and semiannual inspections have also been appropriately amended. The increased flexibility should permit applicants an extended three-month period to complete the scheduled activity should weather, operating conditions, available manpower, or other considerations make it impossible to complete the activity when scheduled. Applicants submit that the same justification used by DOT to promulgate these changes exists for amending the corresponding requirements in General Order 112-D.

Applicants point out that the same flexibility in the intervals between maintenance and testing requirements has been incorporated in Subpart I, Requirements for Corrosion Control 1972 of General Order 112-D since the early 1970s. They contend that this flexibility has not resulted in any reduction in public safety, or any rescheduling by the applicants to an interval of 15 months.

The amended sections of Title 49 CFR Part 192 revise the interval between the inspections, tests, and other activities in the

following respects: (1) qualification of welders; (2) transmission lines, patrolling; (3) transmission lines, leakage surveys; (4) distribution systems, patrolling; (5) distribution systems, leakage surveys and producers; (6) compressor stations, inspection and testing of relief devices; (7) pressure limiting and regulating stations, inspection and testing; (8) pressure limiting and regulating stations, testing of relief devices; (9) valve maintenance, transmission lines; (10) valve maintenance, distribution; and (11) vault maintenance.

The staff has reviewed the changes which applicant's proposed in the application as filed. The staff agrees with the principle of greater flexibility (which the utilities' proposal would provide.) However, the staff has proposed alternate revisions which it states will be better suited to California while still providing flexibility and complying with Federal regulations. Under staff's proposed revisions, activities would be performed as often as G.O. 112-D now requires, with minor variations in performance interval.

Applicants have all concurred in writing with the staff's proposed revisions. The originals and copy of the agreed-upon revisions have been sent to the official file in this matter.

We have reviewed the amended Federal regulations, the applicants' original proposals and the staff's recommended changes. Based upon our review we make the following findings and conclusions:

Findings of Fact

1. No protest to the application has been received.
2. A public hearing is not necessary.
3. Applicants' proposed revisions to General Order 112-D, as modified by the staff recommendations, are reasonable and will not adversely affect the public safety.

Conclusion of Law

General Order 112-D should be modified in accordance with Appendix A to this decision, which includes the appropriate revisions

to General Order 112-D to incorporate the changes agreed to between applicants and the staff.

ORDER

IT IS ORDERED that the Inspection and Test Intervals section of General Order 112-D shall be modified to conform to Appendix A to this opinion and order.

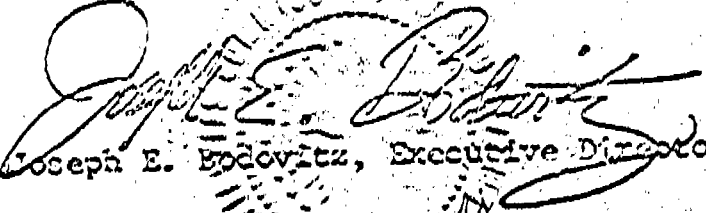
This order becomes effective 30 days from today.

Dated APR 4 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.  
President  
VICTOR CALVO  
PRISCILLA C. GREW  
DONALD VIAL  
Commissioners

Commissioner William T. Bagley  
being necessarily absent, did  
not participate.

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY.

  
Joseph E. Eydovitz, Executive Director

APPENDIX A  
Page 1

The following changes shall be made to revise Inspection and Test Intervals sections of General Order 112-D.

Revised Section 192.3 shall read as follows:

Section 192.3 Definitions

As used in these rules-

"Anniversary" means a calendar month at which time a periodic inspection, test, patrol or other activity must be conducted. The anniversary shall be in the same month(s) every year except as provided in Section 192.704(2)(a).

"Commission" means the Public Utilities Commission of the State of California.

"Distribution Line" means a pipeline other than a gathering or transmission line.

"Gas" means natural gas, flammable gas, or gas which is toxic or corrosive.

"Gathering Line" means a pipeline that transports gas from a current production facility to a transmission line or main.

"High-pressure distribution system" means a distribution system in which the gas pressure in the main is higher than the pressure provided to the customer.

"Listed specification" means a specification listed in Section I of Appendix B of this part.

"Low-pressure distribution system" means a distribution system in which the gas pressure in the main is substantially the same as the pressure provided to the customer.

"Main" means a distribution line that serves as a common source of supply for more than one service line.

"Maximum actual operating pressure" means the maximum pressure that occurs during normal operations over a period of one year.

"Maximum allowable operating pressure" means the maximum pressure at which a pipeline or segment of a pipeline may be operated under this part.

"Municipality" means a city, county, or any other political subdivision of a State.

"Offshore" means beyond the line of ordinary low water along that portion of the coast of the United States that is in direct contact with the open seas and beyond the line marking the seaward limit of inland waters.

"Operator" means person who engages in the transportation of gas.

"Person" means any individual, firm, joint venture, partnership, corporation, association, State, municipality, cooperative association, or joint stock association, and includes any trustee, receiver, assignee, or personal representative thereof.

"Pipe" means any pipe or tubing used in the transportation of gas including pipe-type holders.

"Pipeline" means all parts of those physical facilities through which gas moves in transportation, including pipe, valves and other appurtenance attached to pipe, compressor units, metering stations, regulator stations, delivery stations, holders, and fabricated assemblies.

"Pipeline facility" means new and existing pipelines, rights-of-way, and any equipment, facility, or building used in the transportation of gas or in the treatment of gas during the course of transportation.

"Secretary" means the Secretary of Transportation or any person to whom he has delegated authority in the matter concerned.

"Service Line" means a distribution line that transports gas from a common source of supply to (1) a customer meter or the connection to a customer's piping, whichever is farther downstream, or (2) the connection to a customer's piping if there is no customer meter. A customer meter is the meter that measures the transfer of gas from an operator to a consumer.

"SMYS" means specified minimum yield strength is--

- (1) For steel pipe manufactured in accordance with a listed specification, the yield strength specified as a minimum in that specification, or
- (2) For steel pipe manufactured in accordance with an unknown or unlisted specification, the yield strength determined in accordance with Section 192.107(b).

"State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"Transmission Line" means a pipeline, other than a gathering line, that--

- (1) Transports gas from a gathering line or storage facility;

(2) Operates at a hoop stress of 20 percent or more of SMYS; or

(3) Transports gas within a storage field.

"Transportation of gas" means the gathering, transmission, or distribution of gas by pipeline or the storage of gas, in or affecting interstate or foreign commerce.

"Utility" means any person, firm, or corporation engaged as a public utility in transporting natural gas, hydro-carbon gas or any mixture of such gases for domestic, commercial, industrial, or other purposes.

Amended Section 192.227, paragraph (c)(1) shall read as follows:

"(1) Within the period from the month preceding to the month following his last annual anniversary the welder has requalified; or"

Amended Section 192.465 shall read as follows:

Section 192.465 External corrosion control: monitoring

(a) Each pipeline that is under cathodic protection must be tested within the period from the month preceding to the month following its annual anniversary, to determine whether the cathodic protection meets the requirements of Sec. 192.463. However, if tests at those intervals are impractical for separately protected short sections of mains or transmission 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.

(b) Each cathodic protection rectifier or other impressed current power source must be inspected on a two-month basis, within its anniversary month, but with intervals not exceeding 2-1/2 months, to insure that it is operating.

(c) Each reverse current switch, each diode, and each interference bond whose failure would jeopardize structure protection must be electrically checked for proper performance on a two-month basis within its anniversary month but with intervals not exceeding 2-1/2 months. Each other interference bond must be checked at least once each calendar year, but with intervals not exceeding 15 months.

(d) Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring.



- (e) After the initial evaluation required by paragraphs (b) and (c) of Sec. 192.455 and paragraph (b) of Sec. 192.457, each operator shall, at intervals not exceeding 3 years, reevaluate its unprotected pipelines and cathodically protect them in accordance with this subpart in areas in which active corrosion is found. The operator shall determine the areas of active corrosion by electrical survey, or where electrical survey is impractical, by the study of corrosion and leak history records, by leak detection survey, or by other means.

Modified Section 192.477 shall read as follows:

"Section 192.477 Internal corrosion control: monitoring

If corrosive gas is being transported, coupons or other suitable means must be used to determine the effectiveness of the steps taken to minimize internal corrosion. Each coupon or other means of monitoring internal corrosion must be checked two times each calendar year, within its semiannual anniversary month."

Amended Section 192.481 shall read as follows:

Section 192.481 Atmospheric corrosion control: monitoring

After meeting the requirements of Section 192.479 (a) and (b), each operator shall, at intervals not exceeding 3 years for onshore pipelines and within the period from the month preceding to the month following its annual anniversary for offshore pipelines, reevaluate each pipeline that is exposed to the atmosphere and take remedial action whenever necessary to maintain protection against atmospheric corrosion.

Section 192.704 is added and shall read as follows:

"192.704 Inspection and test intervals compliance

(1) Effective December 1, 1983, each inspection, test, patrol or other activity required on a periodic basis must be performed within the specified period preceding or following the anniversary, and in the case of activities required annually, not less than once each calendar year, to be in compliance with this General Order.

- (a) The annual anniversary month for a specific activity shall be the last in which such activity was performed prior to December 1, 1983, except in accordance with (2)(a) below.

APPENDIX A

Page 5

- (b) The semiannual anniversaries for a specific activity shall be, respectively, the 6th and 12th calendar months after the last time such activity was performed prior to December 1, 1983, except in accordance with (2)(a) below.
  - (c) Quarterly anniversaries for a specific activity shall be the third, sixth, ninth and twelfth month after the last month in which such activity was performed prior to December 1, 1983, except in accordance with (2)(a) below.
  - (d) Two-month anniversaries shall be the second, fourth, sixth, eighth, tenth and twelfth months after the last month in which such activity was performed prior to December 1, 1983, except in accordance with (2)(a) below.
  - (e) For specific tests, inspections or other activities first commencing after December 1, 1983, the anniversary month(s) shall be determined as if the activity commenced prior to December 1, 1983, i.e., using the same number of months as shown in Paragraph (1) above.
- (2)(a) Utilities may elect to have earlier anniversary months than those determined in accordance with Paragraph (1) above. If an anniversary is moved back to an earlier month, all future anniversaries for this specific periodic test, inspection or other activity will be moved back correspondingly.
- (b) Utilities may in the course of their operations or maintenance perform tests, inspections or other activities at times other than within the specified periods; however, this will not be considered compliance and does not relieve utilities of the requirement to perform such activities within the specified periods, except in accordance with Paragraph (2)(a) above.

Amended Section 192.705(b) shall read as follows:

(b) The frequency of patrols is determined by the size of the line, the operating pressures, the class location, terrain, weather, and other relevant factors, but intervals between patrols may not be longer than prescribed in the following table:

<u>Class Location Of Line</u>	<u>Frequency Of Patrols</u>	
	<u>At Highway and Railroad Crossings</u>	<u>At All Other Places</u>
1,2.....	Semiannually	Annually
3.....	Quarterly	Semiannually
4.....	Quarterly	Quarterly

Amended Section 192.706(b) shall read as follows:

(b) Leakage surveys of a transmission line must be conducted within the period from the month preceding to the month following the annual anniversary.

Amended Section 192.721(b) shall read as follows:

(b) Mains in places or on structures where anticipated physical movement or external loading could cause failure or leakage must be patrolled within the quarterly anniversary month.

Amended Section 192.723(b)(1) shall read as follows:

- (1) A gas detector survey must be conducted in business districts and in the vicinity of schools, hospitals and churches, including tests of the atmosphere in gas, electric, telephone, sewer, and water system manholes, at cracks in pavement, and sidewalks, and at other locations providing an opportunity for finding gas leaks, in the period from the month preceding to the month following the annual anniversary.

Amended Section 192.731(c) shall read as follows:

(c) Each remote control shutdown device must be inspected and tested in the period from the month preceding to the month following the annual anniversary to determine that it functions properly.

APPENDIX A  
Page 7

Amended Section 192.739 will read as follows:

192.739 Pressure-limiting and -regulating stations:  
inspection and testing

In the period from the month preceding to the month following the annual anniversary each pressure limiting station, relief device (except rupture discs), and pressure regulating station and its equipment must be subjected to inspections and tests to determine that it is--

- (a) In good mechanical condition;
- (b) Adequate from the standpoint of capacity and reliability of operation for the service in which it is employed;
- (c) Set to function at the correct pressure; and
- (d) Properly installed and protected from dirt, liquids, or other conditions that might prevent proper operation.

Amended Section 192.743 will read as follows:

Section 192.743 Pressure-limiting and -regulating stations: inspection and testing of relief devices

(a) If feasible, pressure-relief devices (except rupture discs) must be tested in place in the period from the month preceding to the month following the annual anniversary to determine that they have enough capacity to limit the pressure on the facilities to which they are connected to the desired maximum pressure.

(b) If a test is not feasible, review and calculation of the required capacity of the relieving device at each station must be made in the period from the month preceding to the month following the annual anniversary, and these required capacities compared with the rated or experimentally determined relieving capacity of the device for the operating conditions under which it works.

(c) If the relieving device is of insufficient capacity, a new or additional device must be installed to provide the additional capacity required.

Amended Section 192.745 will read as follows:

"192.745 Valve maintenance: transmission lines

Each transmission line valve that might be required during any emergency must be inspected, serviced, lubricated (where required) and partially operated within the period from the month preceding to the month following the annual anniversary.

APPENDIX A  
Page 8

Amended Section 192.747 will read as follows:

192.747 Valve maintenance: distribution systems

- Each valve, the use of which may be necessary for the safe operation of a distribution system, must be inspected, serviced, lubricated (where required) and partially operated within the period from the month preceding to the month following its annual anniversary.

Amended Section 192.749(a) will read as follows:

(a) Each vault housing pressure regulating and pressure limiting equipment, and having a volumetric internal content of 200 cubic feet or more, must be inspected within the period from the month preceding to the month following the annual anniversary to determine that it is in good physical condition and adequately ventilated.

(END OF APPENDIX A)