

Decision 82 11 017 NOV 2 - 1983

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Petition of)
SAN DIEGO GAS & ELECTRIC COMPANY)
for exemption from certain state and)
federal liquefied natural gas safety)
requirements with respect to the)
Borrego LNG satellite facility.)

Application 83-02-59
(Filed February 25, 1983)

O P I N I O N

By this application San Diego Gas & Electric Company (SDG&E) requests exemption from certain state and federal safety requirements for its Borrego Springs (Borrego) liquefied natural gas (LNG) satellite facility located at Borrego Springs, about 90 miles northeast of San Diego.

The Borrego facility is a small, unmanned LNG storage and vaporizing facility serving approximately 300 customers in a mobilehome park in Borrego Springs. It was built in 1968 at an original cost of about \$50,000. The facility consists of a 7,750-gallon tank, five ambient air vaporizers, and associated piping and control equipment. It is simple by design, using no pumps, compressors, or other complex machinery. It has no electrical or combustion equipment (which could ignite a gas leak), contains few moving parts and has a minimum of potential leak sources. All equipment is contained within a 30'x30' diked area except a regulator standing outside. LNG is delivered by truck, about twice a week in winter and less often in summer, from SDG&E's Chula Vista LNG plant. It is vaporized as needed by the heat of the ambient air. In its 14 years of operation the facility has never experienced a gas fire, a significant gas leak, a significant LNG leak or spill, any personal injury, safety or security-related incident.

LNG safety regulations are contained in Part 193 of Title 49 of CFR and National Fire Protection Association Standard 59A, 1975 Edition (NFPA 59A).

SDG&E seeks exemption from §§ 520 and 2116 of National Fire Protection Association standard (NFPA) 59A and from §§ 193.2407, 193.2409, 193.2439, 193.2441, 193.2507, 193.2819, 193.2821, 193.2911, 193.2913, and 193.2915 of Title 49 of the Code of Federal Regulations (CFR). SDG&E states that the requirements imposed on the Borrego facility by the regulations are unnecessary, too costly, or counter-productive. It estimates the total cost of the required changes to be \$225,000 which is four times the facility's original cost.

The federal regulations were promulgated by the United States Secretary of Transportation (Secretary) pursuant to the Natural Gas Pipeline Safety Act (49 U.S.C. §§ 1671 et seq.). By agreement with the Secretary the Commission oversees compliance with federal gas safety standards for LNG within California. The Commission may waive compliance with any standard, in whole or in part, provided the Commission gives the Secretary written notice at least 60 days prior to the effective date of the waiver and further provided that the Secretary fails to object before the waiver's effective date.

NFPA 59A is imposed on the Borrego facility by the Commission's General Order (GO) 112-D. Sections 192.12 and 193.3(e) of GO 112-D exempts all LNG facilities from the imposed safety standards except compliance with NFPA 59A. Section 102 of NFPA 59A (1975) exempts facilities constructed in accordance with earlier editions.

Because the Borrego facility was constructed in compliance with the 1967 edition of NFPA 59A, which did not require individual inlet and outlet valves for each vaporizer or automatic sump pumps to remove rainwater from the impoundment area, §§ 520 and 2116 are not applicable to the Borrego facility.

The Commission staff made a thorough examination of the Borrego facilities. The results of the examination with the staff's recommendations were forwarded to SDG&E by letter dated June 27, 1983, a copy of which was placed in the formal file. The staff concluded that the application should be granted conditioned on concurrence of the Secretary and SDG&E's installation of unmonitored low-voltage flame and flammable gas detection equipment connected to an automatic shutoff system with a battery-powered backup. SDG&E accepted the staff recommendations.

The staff review shows that the Borrego facility incorporates an automatic shutoff system for overpressure or underpressure linked to manual emergency trips at the gate and that leak and fire detection equipment could cut LNG flow if connected to the existing shutoff system. It was determined that a facility as small as Borrego does not require portable gas detection equipment in addition to a fixed gas detection system. Also, on-site alarms for fires or leaks should not be required with an automatic emergency shutoff system since there are no on-site personnel except during fill operations. Staff observed that there is no visible activity on the site during normal operations. Thus, with no visible activity, monitoring from Chula Vista would not be an efficient use of trained personnel since the only useful action to take would be to shut down the tank. In addition on-site monitoring for security would be extremely costly for any benefit derived. Finally, since it was determined that security monitoring is not required, staff concludes that neither should there be security lighting or an alternative power source.

Findings of Fact

1. SDG&E seeks exemption from certain state and federal safety requirements for its Borrego LNG satellite facility.
2. The Borrego facility is a small LNG storage and vaporizing facility serving approximately 300 customers in a mobile home park.
3. The facility is simple by design using no pumps or compressors or other complex machinery. It has no electrical or combustion equipment (which could ignite a gas leak), contains few moving parts and a minimum of potential leak sources.

4. Gas is vaporized as needed by heat of the ambient air.

5. In 14 years of operation the facility has never experienced a gas fire, a significant gas leak, a significant LNG leak or spill, or any personal injury related to safety or security. ✓

6. LNG safety regulations are contained in Part 93 in 49 Code of Federal Regulations (CFR) and National Fire Protection 59A, 1975 Edition (NFPA 59A).

7. Federal regulations were promulgated by the United States Secretary of Transportation (Secretary) pursuant to the Natural Gas Pipeline Safety Act.

8. By agreement with the Secretary the Commission oversees compliance with federal safety standards for LNG within California.

9. The Commission may waive compliance with any standard, in whole or in part, by giving the Secretary written notice at least 60 days prior to the effective date of the waiver and provided the Secretary fails to object before the waiver's effective date.

10. The Borrego facility was constructed in compliance with the 1967 Edition of NFPA 59A which did not require individual inlet or outlet valves for each vaporizer or automatic sump pump.

11. The Borrego facility is equipped with an automatic shutoff system for overpressure linked to manual emergency trips at the gate. Added leak and fire detection equipment could cut LNG flow if connected to the existing shutoff system.

12. On-site alarms for fire or leaks are not required with an automatic emergency shutoff system.

13. With no visible activity, monitoring from Chula Vista would not be an efficient use of trained personnel. On-site monitoring would be extremely costly for the benefit derived.

14. SDG&E should install unmonitored low voltage flame and flammable gas detection equipment connected to an automatic shutoff system with a battery-powered backup.

Conclusion of Law

The application should be granted to the extent set forth in the following order.

O R D E R

IT IS ORDERED that:

1. San Diego Gas & Electric Company is granted an exemption from the provisions of 49 CFR §§ 193.2507, 193.2819, 193.2821, 193.2911, 193.2913, and 193.2915. The exemption becomes effective 60 days from today and is granted conditioned on the concurrence of the Secretary of the United States Department of Transportation and the installation of unmonitored low voltage flame and flammable gas detection equipment connected to an automatic shutoff system with a battery-powered backup.

2. The Executive Director shall notify United States Department of Transportation, Pipeline Safety Enforcement Division of the exemption granted by this decision.

This order is effective today.

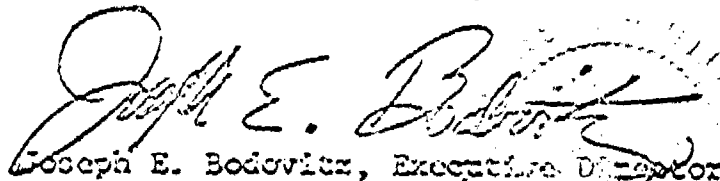
Dated November 2, 1983, at San Francisco, California. ✓

LEONARD M. GRIMES, JR.
President

VICTOR CALVO
PRISCILLA C. GREW
WILLIAM T. BAGLEY
Commissioners

Commissioner Donald Vial, being necessarily absent, did not participate.

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


Joseph E. Bodovitz, Executive Director

4. Gas is vaporized as needed by heat of the ambient air.
5. In 14 years of operation the facility has never experienced a gas fire, a significant gas leak, a significant LNG leak or spill, or any personnel injury related to safety or security.
6. LNG safety regulations are contained in Part 93 in 49 Code of Federal Regulations (CFR) and National Fire Protection 59A, 1975 Edition (NFPA 59A).
7. Federal regulations were promulgated by the United States Secretary of Transportation (Secretary) pursuant to the Natural Gas Pipeline Safety Act.
8. By agreement with the Secretary the Commission oversees compliance with federal safety standards for LNG within California.
9. The Commission may waive compliance with any standard, in whole or in part, by giving the Secretary written notice at least 60 days prior to the effective date of the waiver and provided the Secretary fails to object before the waiver's effective date.
10. The Borrego facility was constructed in compliance with the 1967 Edition of NFPA 59A which did not require individual inlet or outlet valves for each vaporizer or automatic sump pump.
11. The Borrego facility is equipped with an automatic shutoff system for overpressure linked to manual emergency trips at the gate. Added leak and fire detection equipment could cut LNG flow if connected to the existing shutoff system.
12. On-site alarms for fire or leaks are not required with an automatic emergency shutoff system.
13. With no visible activity, monitoring from Chula Vista would not be an efficient use of trained personnel. On-site monitoring would be extremely costly for the benefit derived.
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2. The Executive Director shall notify United States Department of Transportation, Pipeline Safety Enforcement Division of the exemption granted by this decision.

This order becomes effective 60 days from today.

Dated NOV 2 1983, at San Francisco, California.

LEONARD M. GRIMES, JR.
President

VICTOR CALVO
PRISCILLA C. GREW
WILLIAM T. BAGLEY
Commissioners

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