

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's Own
Motion to Adopt New Safety and Reliability Regulations for
Natural Gas Transmission and Distribution Pipelines and
Related Ratemaking Mechanism.

Rulemaking11-02-019
(Filed February 24, 2011)

**REPLY COMMENTS OF
SOUTHWEST GAS CORPORATION (U 905 G) ON
PROPOSED RULE CHANGES TO
GENERAL ORDER (GO) 112**

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8

9 On July 8, 2014, an Order was issued requesting comments on the Safety
10 Enforcement Division Staff's proposal for changes to GO-112. Multiple parties,
11 including the Utility Workers Union of America (UWUA), submitted initial comments
12 on July 18, 2014. Southwest Gas hereby submits the following reply comments
13 regarding certain proposals made by the UWUA regarding the proposed for changes
14 to GO-112.

15 **A. UWUA's Proposed Revisions to Section 143.2**

16 1. UWUA's proposal regarding Section 143.2(a)(2)

17 The UWUA suggests that Section 143.2(a)(2) be amended to require
18 Operators to "repair and/or" take prompt action with respect to Grade 1 leaks instead
19 of just requiring Operators to take prompt action. Southwest Gas believes that the
20 best course of action for Operators is to first take prompt action to mitigate the
21 hazardous leak then analyze the situation to determine whether or not a repair of the
22 Grade 1 leak is the preferred course of action. For example, an Operator may
23 encounter a Grade 1 leak and, after prompt action, may conclude that replacement
24 of a segment of pipe is preferred over a repair or, alternatively, the Operator may
25 decide to abandon the segment of pipe that contains the Grade 1 leak. Under these
26 scenarios, the repair of a Grade 1 leak is an alternative that is considered by an
27 Operator after prompt action has been taken to make the condition no longer
28 hazardous.

1 Rejection of the UWUA's proposal to include repair as part of Section
2 143.2(a)(2) does not eliminate repair from the Operator's options to make the
3 conditions of a Grade 1 leak no longer hazardous. Indeed, Section 143.2(a) defines
4 "Grade 1 leak" as an "existing or probable hazard to persons or property requiring
5 prompt action, immediate repair, or continuous action until the conditions are no
6 longer hazardous." Thus, per Section 143.2(a), immediate repair of the Grade 1
7 leak can be made when deemed appropriate in the judgment of the Operator.

8 2. UWUA's proposals regarding Sections 143.2(a)(2)(v)-(vi)

9 The UWUA's proposal to include a reading of 2.7% gas concentration in
10 Section 143.2(a)(2)(v)-(vi) as an example of a Grade 1 leak requiring prompt action
11 should be rejected as its addition is inconsistent with developed industry guidelines.
12 The developed industry guideline for gas concentration recognizes the limits of
13 flammability of natural gas as 5% to 15% gas in air. See GM Appendix G-192-11A-3
14 Definitions. The lower explosive limit (LEL) for natural gas is 5% gas concentration
15 which correlates to 100% LEL. Accordingly, a 4% gas concentration equates 80%
16 LEL. Thus, use of the 2.7% gas concentration standard would result in
17 inconsistency with the 80% LEL standard. Moreover, the UWUA gas concentration
18 of 2.7% is too conservative and would require prompt action to address leaks that
19 would be otherwise categorized as a lower grade leak. Thus, the UWUA's proposals
20 would cause confusion.

21 3. UWUA's proposal regarding Section 143.2(a)(2)(vii)

22 The UWUA proposes to include "[a]ny leak in an enclosed space where
23 electrical equipment is present" as an example of a Grade 1 leak requiring prompt
24 action in Section 143.2(a)(2). The UWUA's proposal is not necessary and could
25 lead to confusion. The UWUA's proposal is not necessary because Section
26 143.2(a)(2)(v) already accounts for readings of natural gas in enclosed spaces.
27 Also, the UWUA's proposal could cause confusion because Section 143.2(a)(2)(v)
28 requires a reading of 80% LEL, while the UWUA's proposal does not contain any

1 such limitation. If Operators were required to take “prompt action” for “any leak in an
2 enclosed space where electrical equipment is present” then Operators, in essence,
3 would be required to take prompt action (as defined in Section 143.2(a)(1)) on every
4 leak in an enclosed space where electrical equipment is present regardless of the
5 actual severity of the leak. Accordingly, UWUA’s proposal should be rejected.

6 4. UWUA’s proposal regarding Section 143.2(a)(2)(viii)

7 The UWUA proposes to include “[a]ny leak in plastic pipe where static
8 electricity may build up” as an example of a Grade 1 leak requiring prompt action.
9 This proposal should also be rejected because it is vague and would result in all
10 leaks on all plastic pipes requiring “prompt action” since static electricity “may” build
11 up in any plastic pipe at any time. This is why, in a gaseous environment, it is
12 common practice for Operators to ground plastic pipe so as to eliminate the threat of
13 static electricity. If Operators were required to take “prompt action” for “any leak in
14 plastic pipe where static electricity may build up” then Operators, in essence, would
15 be required to take prompt action (as defined in Section 143.2(a)(1)) on every leak in
16 plastic pipe regardless of the actual grade of the leak and regardless of the actual
17 existence of any static electricity. For these reasons, the UWUA’s proposal
18 regarding Section 143.2(a)(2) should be denied.

19 5. UWUA’s proposals regarding Section 143.2(b)(5)

20 The UWUA makes two proposals to modify Section 143.2(b)(5). First, the
21 UWUA proposes that Section 143.2(b)(5)(i) be amended to include any reading of
22 “1.5% gas concentration” as an example of a Grade 2 leak requiring action within six
23 months. Second, the UWUA proposes that Section 143.2(b)(5)(iii) be modified to
24 include any reading of “less than 2.7% gas concentration” as an example of a Grade
25 2 leak requiring action within six months. Section A.2. above discusses the
26 relationship of the gas concentration standard and the LEL standard. The same
27 analysis applied in Section A.2. above equally applies here. Thus, use of the 1.5%
28 and 2.7% gas concentration standards would result in inconsistency with the 40%

1 and 80% LEL standards, respectively. Put simply, the UWUA's proposals to include
2 the gas concentration standards in Section 143.2(b)(5)(i) and (iii) are inconsistent
3 with developed industry guidelines. Moreover, the UWUA gas concentration
4 additions are too conservative and would require prompt action to address leaks that
5 would be otherwise categorized as a lower grade leak. Thus, the UWUA's proposals
6 would cause confusion and should be rejected.

7 6. UWUA's inclusion of the term "qualified" in Section 143.2

8 All instances where the UWUA inserts the term "qualified" involves Operator
9 judgment to assess the leak and the appropriate action to be taken. The insertion of
10 "qualified" is superfluous because these actions (the assessment of leaks and the
11 appropriate response) are acknowledged by operators as covered tasks subject to
12 49 CFR §192.805 and, thus, are already undertaken by appropriately trained
13 personnel.

14 **B. UWUA's Proposed Revisions to Section 143.3**

15 The UWUA proposes to add a new Section 143.3 that would require
16 Operators to treat leaks at meters and risers the same and to "completely and
17 permanently repair[ed] on the same day the leak is reported". The UWUA's
18 proposal would serve to eliminate the grading of above-ground leaks and cause all
19 above-ground leaks to be classified as a Grade 1 leak regardless of the actual
20 circumstances of the leak. Accordingly, the UWUA's Section 143.3 should be
21 rejected.¹

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28 ¹ The UWUA's proposed Section 143.3 also includes the use of the term "qualified" employees of the operator." If the Commission is going to consider the UWUA's proposed Section 143.3, the term "qualified" should be eliminated for the same reasons identified in Section A.6. above.

1 **C. Conclusion**

2 Southwest Gas appreciates the opportunity to provide these Comments and
3 looks forward to its continued participation in this docket.

4 Dated this 25th day of July, 2014.

5 Respectfully submitted,
6 SOUTHWEST GAS CORPORATION

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