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May 28, 2013

Mr. Ed Randolph Director, Energy Division California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102

Brigadier General Jack Hagan Director, Safety and Enforcement Division California Public Utilities Commission 505 Van Ness Avenue San Francisco, CA 94102

RE: Southern California Gas Company and San Diego Gas & Electric Monthly Pipeline Safety Enhancement Plan Status Report

Dear Mr. Randolph and General Hagan:

Enclosed please find the Monthly Pipeline Safety Enhancement Plan Status Report of Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E) for April 2013 as required per D.12-04-021. D.12-04-021 requires SoCalGas and SDG&E to provide a Monthly Pipeline Safety Enhancement Plan update to the Commission's Energy Division and Consumer Protection and Safety Division as our plan is implemented.

Please feel free to contact me should you have any additional questions regarding this report.

Sincerely,

Jeff Salazar

Regulatory Business Manager

Attachment

CC: Richard Myers, CPUC Energy Division

Belinda Gatti, CPUC Energy Division

Elizaveta Malashenko, CPUC Safety and Enforcement Division

Sunil Shori, CPUC Safety and Enforcement Division

April 2013 PSEP Update

I. Introduction

In D.12-04-021, the Commission directs Southern California Gas (SoCalGas) and San Diego Gas & Electric (SDG&E) to provide monthly Pipeline Safety Enhancement Plan (PSEP) updates to the Commission's Energy and Consumer Protection and Safety Division as the plan is implemented. Attached is the update for April 2013.

II. Current Status

SoCalGas and SDG&E have undertaken the following PSEP related activities for the month of April.

- 1. After SCG's completion of records investigative work which significantly reduced the mileage of pipe to be remediated, project responsibilities for L-43-121, and L-45-120 were transferred to Jacobs for commencement of engineering work.
- 2. Jacobs has executed contracts with Diverse Business Enterprises (DBE) contractors, such as E2, and have completed interviews with additional vendors such as Wagner Engineering and San Dieguito Engineering. The intention is that this will allow more DBE contractors to participate in PSEP.
- 3. Construction is scheduled to begin on L-2000 in July for hydro testing.
- 4. Records investigative efforts since last month's report have identified 21 miles of pipe segments that will no longer need to be addressed in Phase 1A.
- 5. Planning on L-49-26 has been placed on hold in order to align its schedule with other pipeline projects in the same project bundle (L-49-16, L-49-17, and L-49-25). This bundling of projects allows for similar projects to utilize the same resources to more effectively complete engineering and construction planning work.

III. Costs

Actual costs tracked in SoCalGas and SDG&E's respective Memorandum Accounts are provided in Appendix B and Appendix C.

¹ D.12-04-021, mimeo., at 7 and 12 (Ordering Paragraph No. 4).

PSEP - SCG / SDG&E Appendix A - Active Projects List as of April 26, 2013

Pipeline	PSEP Filing	Total					
	Priority	Miles as Filed	Project Lifecycle Stage ⁽¹⁾	Prominent Diameter	Prominent Vintage	%SMYS ⁽²⁾	Construction Start Date (Est.)
(2)		4-1	Pipeline	-SCG	1	ı	
2000 ⁽³⁾	1	117.6 ⁽³⁾	4-Detailed Design ⁽³⁾	30	1947	67%	Jul-13
2001 East	2	7.10	2-Selection	30	1952	55%	Jan-14
1005	4	3.50	2-Selection	22	1949	59%	Nov-13
2003	6	26.50	1-Project Initiation	30	1949	36%	TBD ⁽⁵⁾
407	7	6.30	2-Selection	30	1951	36%	Nov-13
406	9	20.70	1-Project Initiation	22	1951	60%	Jul-14
235 West	10	3.10	2-Selection	30	1957	49%	Oct-13
1013	11	3.50	1-Project Initiation	30	1954	43%	Dec-13
1015	12	7.85	1-Project Initiation	30	1954	43%	TBD (5)
404	14	37.80	1-Project Initiation	18	1949	50%	Sep-14
44-137	15	1.00	1-Project Initiation	20	1950	43%	Jan-14
247	21	0.08	1-Project Initiation	16	1944	48%	May-14
43-121	22	4.41	2-Selection	26	1930	42%	Nov-13
33-120	24	1.25	1-Project Initiation	22	1940	44%	Dec-13
45-120	25	4.30	2-Selection	22	1930	26%	Dec-13
32-21	26	10.23	1-Project Initiation	20	1948	48%	TBD ⁽⁵⁾
36-9-09 North	29	16.02	1-Project Initiation	8.625	1932	46%	Mar-14
36-9-06	30	7.92	1-Project Initiation	16	1953	25%	Mar-14
36-9-06-A	31	2.64	1-Project Initiation	16	1953	25%	Mar-14
36-37	38	0.02	1-Project Initiation	16	1927 ⁽⁶⁾	38%	Sep-13
42-66-1	40	0.04	2-Selection	12.75	1947	34%	Aug-13
42-66-2	41	0.03	2-Selection	12.75	1947	34%	Aug-13
37-18	45	4.16	1-Project Initiation	16	1945	38%	Apr-14
30-18	47	2.58	1-Project Initiation	16	1943	23%	Apr-14
44-654	50	0.01	1-Project Initiation	6.625	1957	32%	Aug-13
31-09	52	12.81	1-Project Initiation	24	1958	24%	TBD (5)
45-163	54	0.91	1-Project Initiation	16	1966	37%	TBD (5)
41-19	56	0.01	1-Project Initiation	12.75	1957	35%	Aug-13
33-121	59	0.16	1-Project Initiation	26	1955	42%	Dec-13
36-1032	64	1.54	1-Project Initiation	8.625	1963	39%	Apr-14
35-20-A	71	1.32	1-Project Initiation	12.75	1965	49%	Apr-14
35-10	72	3.44	1-Project Initiation	12.75	1957	49%	TBD ⁽⁵⁾
41-30-A	80	0.26	1-Project Initiation	12.75	1940	37%	Aug-13
41-30	82	3.95	1-Project Initiation	10.75	1953	31%	Mar-14
38-200	86	0.23	1-Project Initiation	12.75	1948	23%	Aug-13
45-120X01	87	0.01	4-Detailed Design	8.625	1930	26%	Jun-13
41-80	90	1.84	1-Project Initiation	6.625	1949	42%	May-14
41-181	109	0.002	1-Project Initiation	8.625	1957	33%	Sep-13
35-20-N	113	0.010	1-Project Initiation	6.625	1929	51%	Aug-13
41-04-I	121	0.38	1-Project Initiation	8.625	1943	28%	Oct-13
36-9-21	126	5.06	1-Project Initiation	6.625	1950	22%	Mar-14
41-25	130	0.12	1-Project Initiation	10.75	1957	31%	Aug-13
41-17-F	131	0.03	1-Project Initiation	4.5	1955	30%	Dec-13
41-17	133	3.57	1-Project Initiation	8.625	1955	32%	Dec-13
41-201	138	0.01	1-Project Initiation	4.5	1957	36%	Jul-13
41-05	140	2.78	1-Project Initiation	6.625	1955	36%	Sep-14
41-116	142	0.006	1-Project Initiation	4.5	1957	30%	Jul-13
41-116BP1	143	0.002	1-Project Initiation	3.5	1957	34%	Jul-13
41-55	155	0.007	1-Project Initiation	6.625	1960	44%	Aug-13
41-17-A2 41-17-FST1	159 160	0.003 0.001	1-Project Initiation 1-Project Initiation	4.5 4.5	1955 1955	30% 30%	Aug-13 Dec-13

41-117	168	0.004	1-Project Initiation	3.5	1957	23%	Jul-13	
41-6045	170	0.009	1-Project Initiation	2.375	1948	23%	Aug-13	
Storage (4)	_(4)	2.83	1-Project Initiation	various ⁽⁴⁾	various ⁽⁴⁾	various ⁽⁴⁾	various ⁽⁴⁾	
Pipeline-SDG&E								
			r ipeline .	JUGGE				
49-28	1	4.89	1-Project Initiation	16	1932	26%	Jan-14	
49-32	5	0.06	1-Project Initiation	16	1950	25%	Sep-13	
49-11	7	6.30	1-Project Initiation	20	1969	31%	Jan-14	
49-22	16	4.04	1-Project Initiation	10.75	1951	36%	Oct-13	

⁽¹⁾ Stage Categories: - These categories represent seven stages of a pipeline project's lifecycle. Stage 1 Project Initiation, Stage 2 Selection, Stage 3 Project Definition, Stage 4 Detailed Design/Procurement, Stage 5 Construction, Stage 6 Start-up/Turn-over, and Stage 7 Close-out.

 $^{^{(2)}}$ The number shown, e.g. 67% is the stress level of the majority of the pipeline segments.

 $^{^{(3)}}$ L-2000, because of it's length, will be remediated in two phases. Detailed Design has begun on the first phase.

⁽⁴⁾ There are many tens of Storage lines, therefore there are too many lines to distinguish predominant pipe diameters, vintage, %SMYS, and construction start dates for each Storage lines.

⁽⁵⁾ Records research conducted is indicating that there will likely be scope changes. Therefore, until records research is completed, construction start dates cannot be determined at this time.

SCG	(in \$1	.,000)	(in \$2	1,000)
			Forecasted	Remaining
		Project-To-	Expenditure	Spend
PSEP Pipeline Projects - Active (as shown in Appendix A) And Not Yet Active Projects	April	Date Total	(est.)	(under)/over
Line 2000	161	3,500	16,301	(12,801)
Line 2001 East	4	47	154	(107)
Line 2001 West	1	18	1,107	(1,089)
Line 1005	7	77	62	15
Line 2003	1	60	455	(395)
Line 407	4	110	129	(19)
Line 406	115	282	257	25
Line 235 West	4	101	70	31
Line 1013	3	22	66	(44)
Line 1015	-	11	2,320	(2,308)
Line 1004	-	2	143	(141)
Line 404	73	202	342	(140)
Line 44-137	1	3	253	(250)
Line 1020	-	60	121	(60)
Line 1014	(1)	9	272	(263)
Line 247	-	1	456	(455)
Line 41-201	-	-	-	-
Line 41-116BP1	-	1	-	1
Line 41-6045	-	2	_	2
Line 43-121	17	63	988	(925)
Line 33-120	2	4	442	(438)
Line 45-120	2	2	950	(949)
Line 42-66-1	6	6	288	(281)
Line 42-66-2	-	-	233	(233)
Line 30-18	-	-	_	-
Line 32-21	2	3	3,842	(3,839)
Line 41-6000-2	-	-	2,706	(2,706)
Line 36-9-09 North	3	3	2,533	(2,530)
Line 36-9-06	3	3	1,234	(1,231)
Line 36-9-06-A	1	4	637	(634)
Line 37-18 K	-	1	768	(768)
Line 36-37	-	-	464	(464)
Line 35-20	-	1	171	(170)
Line 37-18	-	2	901	(898)

SCG (continued)	(in \$1	,000)	(in \$1,000)	
PSEP Pipeline Projects - Active (as shown in Appendix A) And Not Yet Active Projects	April	Project-To- Date Total	Forecasted Expenditure (est.)	Remaining Spend (under)/over
Line 37-18 F	-	1	486	(485)
Line 44-654	-	-	164	(164)
Line 31-09	8	10	1,812	(1,803)
Line 41-19	-	-	66	(66)
Line 33-121	2	5	342	(337)
Line e 33-121	-	-	24	(24)
Line 36-1006	-	-	1,678	(1,678)
Line 36-1032	1	5	363	(358)
Line 35-20-A	-	2	316	(314)
Line 35-10	-	1	741	(741)
Line 1172 ID 2313 2	-	-	232	(232)
Line 36-9-21	1	3	-	-
Line 41-30-A	-	2	163	(161)
Line 41-30	=	2	1,002	(1,000)
Line 38-200	-	-	156	(156)
Line 41-116	-	-	-	-
Line 41-117	-	-	-	-
Line 41-181	-	2	-	2
Line 45-120X01	14	15	15	0
Line 45-163	-	-	208	-
Line 1171LT1BP2	-	-	309	-
Line 41-80	-	2	472	(470)
Line 35-22	-	-	78	(78)
Line 36-1002	-	-	143	(143)
Line 44-687	-	-	570	(570)
Line 35-20-N	2	2	175	(174)
Line 30-32	3	5	458	(453)
Line 41-04-I	-	2	169	(167)

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SCG (continued)	(in \$1	.,000)	(in \$1	1,000)
		Project-To-	Forecasted Expenditure	Remaining Spend
PSEP Pipeline Projects - Active (as shown in Appendix A) And Not Yet Active Projects	April	Date Total	(est.)	(under)/over
Line 41-17	-	-	-	-
Line 41-17F	-	4	202	(198)
Line 41-17-FST1	-	-	-	-
Line 41-17-A2	-	-	949	(949)
Line 41-25	1	4	-	4
Line 41-05	-	2	-	2
Line 37-18 J	-	31	-	31
Storage Fields	582	673	600	73
Communications *	10	36	-	36
Construction *	100	705	-	705
Engineering *	143	1,757	-	1,757
Training *	146	622	-	622
Gas Control *	8	40	-	40
Environmental *	43	258	-	258
Supply Management *	** (643)	1,601	-	1,601
Insurance *	195	3,010	-	3,010
General Administration *	362	1,472	-	1,472
Program Management Office *	(43)	1,611	2,000	(389)
Total SCG PSEP Pipeline Projects - Active (as shown in Appendix A) And Not Yet Active Projects	1,346	16,485	52,561	(35,562)

^{*}Overhead allocation pools have been established. Dollars accumulated in overhead allocation pools will be distributed to specific PSEP projects when work occurs on those specific projects. ** Cost correction due to error in prior cost reporting.

Overall Table Notes:

- (1) Costs reflect actuals for the month of April and project-to-date costs from May 2012 to April 2013
- (2) Project costs do not reflect year to date actuals. There is some lag time in getting costs posted.
- (3) Forecasted expenditures are estimated costs from May 2012 to May 2013.
- (4) Costs are in nominal direct dollars.
- (5) Costs recovery will include indirects and applicable loaders.
- (6) As of April 2013, the SCG balance in the Pipeline Safety and Reliability Memorandum Account reflects a balance of \$27,882,334 which includes balancing accouninterest and is reduced for costs incurred prior to February 24, 2011 (i.e., the effective date of R.11-02-019).
- (7) As of April 2013, the SDGE balance in the Pipeline Safety and Reliability Memorandum Account reflects a balance of \$1,672,338 which includes balancing accouninterest and is reduced for costs incurred prior to February 24, 2011 (i.e., the effective date of R.11-02-019).

SDGE	(in \$1	1,000)	(in \$:	1,000)
PSEP Pipeline Projects - Active (as shown in Appendix A) And Not Yet Active Projects	April	Project-To- Date Total	Forecasted Expenditure (est.)	Remaining Spend (under)/over
Line 49-28	-	-	962	(962)
Line 49-17	-	-	1,078	(1,078)
Line 49-19	-	-	-	-
Line 49-25	-	-	491	(491)
Line 49-32	-	34	118	(83)
Line 49-16	-	-	2,002	(2,002)
Line 49-11	-	-	101	(101)
Line 1600	-	-	1,240	(1,240)
Line 49-26	-	-	563	(563)
Line 49-20	-	-	-	-
Line 49-14	-	=	215	(215)
Line 49-15	-	-	566	(566)
Line 49-22	-	28	-	28
Line 49-13	-	-	381	(381)
Communications *	1	5	-	5
Construction *	6	80	-	80
Engineering *	18	218	-	218
Training *	-	2	-	2
Gas Control *	1	6	-	6
Environmental *	3	34	-	34
Supply Management *	4	341	-	341
Insurance *	25	410	-	410
General Administration *	5	114	-	114
Program Management Office *	20	247	300	(53)
Total SDGE PSEP Pipeline Projects - Active (Appendix A) And Not Yet Active Projects	82	1,519	8,018	(6,498)

^{*}Overhead allocation pools have been established. Dollars accumulated in overhead allocation pools will be distributed to specific PSEP projects when work occurs on those specific projects.

Overall Table Notes:

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- (2) Project costs do not reflect year to date actuals. There is some lag time in getting costs posted.
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- (7) As of April 2013, the SDGE balance in the Pipeline Safety and Reliability Memorandum Account reflects a balance of \$1,672,338 which includes balancing accouninterest and is reduced for costs incurred prior to February 24, 2011 (i.e., the effective date of R.11-02-019).

SCG and SDGE PSEP Cost Report to the Commission for April 2013

Appendix B

Projects Originally Identified in Memorandum Account Request But Have Since Been Remediated or Removed from Phase 1A

SCG	(in \$1	.,000)	(in \$2	1,000)
PSEP Pipeline Projects - Remediated Outside of Phase 1A or Removed Due to Successful Locating of Records	April	Project-To- Date Total	Bridge Period (est.)	Remaining Spend (under)/over
Line 235 East	-	6	1,035	-
Line 4000	8	43	103	-
Line 1018	-	-	-	_
Line 1024	-	2	1,013	-
Line 1025	-	-	-	-
Line 765BR4	-	-	-	-
Line 408XO1	-	-	225	-
Line 1171LT2	-	-	275	-
Line 30-6200	-	-	177	-
Line 3000-261.73-BO	-	-	148	-
Line 3000-261.73-BR	-	-	159	-
Line 37-49	-	-	5,810	-
Line 43-34	-	-	3,117	-
Line 43-1106	-	-	752	-
Line 42-46	-	-	364	-
Line 2000-0.18-XO2	-	-	17	-
Line 53	-	-	-	-
Line 41-199	-	-	154	-
Line 1172BP3	-	-	-	-
Line 1172BP2ST4	-	-	-	
Line 1017BR4	-	-	-	ı
Line 1017BR5	-	-	-	ı
Line 1017BR6	-	-	-	1
Line 1017BR7	-	-	-	1
Line 317	-	-	441	1
Line 35-6416	-	-	667	1
Line 41-25-A	-	-	1,026	ı
Line 41-90	-	-	196	ı
Line 30-02	-	-	-	ı
Line 32-90	-	-	-	ı
Line 1017BP1	-	-	-	-

SCG and SDGE PSEP Cost Report to the Commission for April 2013 Appendix B

Projects Originally Identified in Memorandum Account Request But Have Since Been Remediated or Removed from Phase 1A

SCG (continued)	(in \$	1,000)	(in \$:	1,000)
PSEP Pipeline Projects - Remediated Outside of PSEP or Removed Due to Successful Locating of Records	April	Project-To- Date Total	Bridge Period (est.)	Remaining Spend (under)/over
Line 1017BP2	1	-	-	1
Line 1017BP3	-	-	=	ı
Line 35-6405	-	-	-	-
Line 41-84	-	-	446	ı
Line 41-84-A	-	-	684	-
Line 42-57	-	-	-	-
Line 765-8.24-BO	-	-	-	-
Line 765-8.24-BR	-	-	-	-
Line 38-351	-	-	-	-
Line 44-1008	-	-	-	-
Line 8107	-	-	-	-
Line 42-46-F	-	-	169	-
Line 775BO1	-	-	-	-
Line 775	-	-	-	-
Line 30-6292	-	-	-	-
Line 36-6588	-	-	-	-
Line 36-1001	-	-	-	-
Line 30-6799BR1	_	-	-	-
Line 30-6799	_	-	-	-
Line 41-198	-	-	-	-
Line 36-7-04	-	-	-	-
Line 41-05-A	-	-	-	-
Line 169	-	-	-	-
Line 30-09-A	-	-	-	-
Line 35-40	-	-	-	1
Line 1003LT2	-	-	-	-
Line 30-6543	-	-	-	-
Line 35-6520	-	-	-	-

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SCG and SDGE PSEP Cost Report to the Commission for April 2013

Appendix B

Projects Originally Identified in Memorandum Account Request But Have Since Been Remediated or Removed from Phase 1A

SCG (continued)	(in \$1	1,000)	(in \$1,000)	
PSEP Pipeline Projects - Remediated Outside of PSEP or Removed Due to Successful Locating of Records	April	Project-To- Date Total	Bridge Period (est.)	Remaining Spend (under)/over
Line 37-6180	-	-	-	-
Line 41-101	-	-	-	-
Line 1172BP2ST3	-	-	-	-
Line 30-6209	-	-	-	-
Line 41-83	-	-	-	-
Line 1172BP2ST1	-	-	-	-
Line 6100	-	-	-	=
Line 41-141	-	-	=	=
Line 35-6405BR1	-	-	-	-
Line 5009	-	-	-	-
Line 1019BP1	-	-	-	-
Line 1170 ID502-T 1	-	-	-	=
Line 1171 ID567-P 13	-	-	-	=
Line 3000 East	-	-	-	=
Total SCG PSEP Pipeline Projects - Remediated Outside of PSEP or Removed Due to Successful Locating of Record	8	50	16,977	-

SDG&E	(in \$	1,000)	(in \$1,000)	
PSEP Pipeline Projects - Remediated Outside of PSEP or Removed Due to Successful Locating of Records	April	Project-To-Date Total	Bridge Period (est.)	Remaining Spend (under)/over
Line 49-27	-	-	142	-
Line 49-18	-	-	903	-
Total SDG&E PSEP Pipeline Projects - Remediated Outside of PSEP or Removed Due to Successful Locating of Records	-	-	1,045	-

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SCG and SDGE PSEP Cost Report to the Commission for April 2013

Appendix C - Records Review and Interim Safety Measure Costs

SCG	(in \$:	1,000)	(in \$1,000)	
	April	Project-To-Date Total	Forecasted Expenditure (est.)	Remaining Spend (under)/over
Leak Survey and Pipeline Patrol	40	911	760	151
Records Review	(1,220)	13,203	10,309	2,894
Pressure Protection Equipment	-	195	195	-
Other Remediation	-	442	546	(104)
Total SCG Records Review and Interim Safety Measure Costs	(1,180)	14,752	11,811	2,941

SDGE	(in \$2	1,000)	(in \$1	1,000)
		Project-To-Date	Forecasted	Remaining Spend
	April	Total	Expenditure (est.)	(under)/over
Leak Survey and Pipeline Patrol	(2)	32	37	(5)
Records Review	(216)	970	997	(27)
Pressure Protection Equipment	-	3	3	-
Other Remediation	-	1	1	-
Total SDGE Records Review and Interim Safety Measure Costs	(218)	1,006	1,039	(32)

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- (3) Forecasted expenditures are estimated costs from February 2011 to May 2013.
- (4) Costs are in nominal direct dollars.
- (5) Costs recovery will include indirects and applicable loaders.
- (6) As of April 2013, the SCG balance in the Pipeline Safety and Reliability Memorandum Account reflects a balance of \$27,882,334 which includes balancing accouninterest and is reduced for costs incurred prior to February 24, 2011 (i.e., the effective date of R.11-02-019).
- (7) As of April 2013, the SDGE balance in the Pipeline Safety and Reliability Memorandum Account reflects a balance of \$1,672,338 which includes balancing accoun interest and is reduced for costs incurred prior to February 24, 2011 (i.e., the effective date of R.11-02-019).