



U. S. Department
of Transportation
**Pipeline and
Hazardous Materials
Safety Administration**

**400 Seventh Street S.W.
Washington DC 20590**

PIPELINE SAFETY

2006 Hazardous Liquid Allocation(Scoring) Document



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of Transportation

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TO: STATE PIPELINE SAFETY PROGRAM MANAGERS IN STATES PARTICIPATING IN
THE HAZARDOUS LIQUID PIPELINE SAFETY GRANT PROGRAM

The Pipeline Safety Grant allocation for calendar year 2006 reflects a 100 percent performance-based formula and the performance criteria of 100 points. The breakout between the field evaluation and selected information in the certification attachments will be 50-50 percent as used in the previous year. New state programs will automatically be funded at a score of 90 the first three years assuming they are making satisfactory progress in meeting certification requirements-this will provide an adequate cushion for these programs to get established. Programs that are reinstated will be funded at a score of 90 for two years.

The calendar year 2006 appropriation for the combined natural gas and hazardous liquid grant program is **\$19,526,000**. Pipeline Safety experienced an across the board percentage cut of **\$195,270** in the grant program. Therefore, the 2006 Pipeline Safety Grant Program was reduced to **\$19,330,730**. Congress determined **\$1,010,000** of the pipeline safety grant funds be used to support one-call damage prevention notification systems. The total amount assigned to the **Hazardous Liquid** program is **\$2,352,857**. It has been allocated by a method designed to reflect the degree to which a state has met certain goals established by this office. Numeric points are assigned for achieving specific levels of performance based on the information in the 2006 certification packages and the results of the Regional Office program evaluation. A list of the point criteria for Hazardous Liquid (Attachment 1) and a list of state point assignments for the Hazardous Liquid program (Attachment 2) are enclosed. A chart (Attachment 3) showing a list of the Hazardous Liquid request, state points, allocations, and percentages of total program funding are enclosed.

The payment agreement will be generated by you through the FedSTAR process. This process is available now and will allow you to print two copies of the payment agreement. Please have both copies signed by an authorized official and return the two copies to Pipeline Safety for signature and we will return an executed copy to you for your records. **The two copies of the payment agreement are due no later than May 31, 2006 to:**

**Ms. Gwendolyn M. Hill
Office of Pipeline Safety, PHP-50
U.S. Department of Transportation
400 Seventh Street, S.W. Room 2103
Washington, D.C. 20590**

Thank you for your participation in the Pipeline Safety Grant Program.

Sincerely,

Stacey L. Gerard Associate Administrator for Pipeline Safety

Enclosures

**CY 2006 PIPELINE SAFETY GRANT ALLOCATION FORMULA
STATE PERFORMANCE CRITERIA (Hazardous Liquid)**

III. RATING FROM STATE EVALUATION (50 PERCENT OF SCORE)

IV. SELECTED INFORMATION FROM STATE CERTIFICATION/AGREEMENT (50 PERCENT OF SCORE)

I. Extent of Intrastate Safety Jurisdiction (12 POINTS)
(Certification Attachment 1)

N = Number of operator types over which state has jurisdiction
M = Number of operator types located in state

60105 State: $N/M \times 12$ 60106 State: $N/M \times 12 \times .5$

1. Petroleum and Petroleum Products
2. Anhydrous Ammonia
3. Carbon Dioxide
4. LP Gas
5. LNG Plants

J. Inspector Qualifications (8 POINTS)
(Certification Attachment 7, 7a)

- 8 – Highest percentage of inspectors in categories I and II
- 4 – Highest percentage of inspectors in categories I, II and III
- 0 – Highest percentage of inspectors in categories III, IV and V

K. Number of Inspection Person-Days (9 POINTS)
(Certification Attachment 2)

- 9 – Meets or exceeds the recommended number of inspection person-days
- 5 – Comes within 25 percent of meeting the recommended number of inspection person-days (achieved 75 percent or above of recommended number).
- 3 – Meets less than 75 percent but at least 50 percent of the recommended number of inspection person-days (achieved 50 to 75 percent of above of (delete “above of”) recommended number).
- 0 – Meets less than 50 percent of recommended number of inspection person-days (achieved under 50 percent of recommended number).

L. State Adoption of Maximum Civil Penalty Requirement (2 POINTS)

(Certification Attachment 8, Section I, Item 1)

- 2 – Adopted \$100,000/day; up to \$1,000,000
- 1 – Taking steps to adopt (has filed draft legislation)
- 0 – Not Adopted

M. State Adoption of Applicable Federal Regulations (8 POINTS)

(Certification Attachment 8, Section I, Items 2, 3, 4, 5, and 6)

- 8 – Adopted within 24 months of effective date (or two general sessions of the state legislature, whichever is longer)
- 5 – Taking steps to adopt (has filed draft legislation)
- 3 – Adopted all regulations within required time frame except one -- where continuing opposition has blocked adoption and state is not presently attempting to adopt.
- 0 – Not adopted within 36 months of effective date.

N. One-Call System Minimum Requirements under Part 198 (8 POINTS)

(Certification Attachment 8, Section II)

- 1.5 – Mandatory coverage of areas having pipeline facilities
- 0.5 – Qualification for operation of one-call system
- 1.5 – Mandatory excavator notification of one-call center
- 0.5 – State determination whether calls to center are toll free
- 1.5 – Mandatory intrastate pipeline operator participation
- 1.0 – Mandatory operator response to notification
- 1.0 – Mandatory notification of excavators/public
- 0.5 – Civil penalties/injunctive relief substantially same as DOT (\$100,000/\$1,000,000)

O. State Attendance at NAPSR Regional Meeting (3 POINTS)

(Certification Attachment 8, Section III)

- 3 – Attended full time (lead rep or alternate pipeline program staff)
- 1 – Attended less than full time
- 0 – No one attended

P. Penalty Points

- 2 – State CY 2006 Certification not received at OPS HQ by due date
- 4 – points assigned if over 1 month late

1 Applicable Federal regulation for five year period will be listed in certification attachments

2 Established under state law by statute, regulation, license, certification, order, or any combination of these legal means

2006 HAZARDOUS LIQUID STATE SCORES

(FROM PERFORMANCE EVALUATION AND CERTIFICATION/AGREEMENT ATTACHMENTS)

STATE	2004 PERFORMANCE EVALUATION	2006 CERT./AGREEMENT ATTACHMENTS	TOTAL SCORE
ALABAMA	100	50	100
ARIZONA	98	50	99
CALIFORNIA_SFM	100	50	100
KENTUCKY	100	44	94
LOUISIANA	100	50	100
MARYLAND	100	50	100
MINNESOTA	100	50	100
MISSISSIPPI	100	39	89
NEW MEXICO	90	46	91
NEW YORK	100	50	100
OKLAHOMA	100	48	98
SOUTH CAROLINA	100	30	80
TEXAS	100	50	100
VIRGINIA	100	50	100
WASHINGTON	99	50	99.5
WEST VIRGINIA	100	47	97

HAZARDOUS LIQUID - STATE POINTS

(FROM CERTIFICATION/AGREEMENT ATTACHMENTS)

STATE	JURISDICTION (12)	INSPECTOR QUAL. (8)	NUMBER OF INSPECTION PERSON DAYS (9)	STATE ADOPTION OF MAX CIVIL PENALTY REGS. (2)	STATE ADOPTION OF APPLICABLE FED REGS. (8)	ONE-CALL NOTIF. REQMNTS. (8)	ATTENDANCE AT FED/STATE MEETING (3)	PENALTY POINTS (-)	TOTAL
ALABAMA	12	8	9	2	8	8	3	-	50
ARIZONA	12	8	9	2	8	8	3	-	50
CALIFORNIA_SFM	12	8	9	2	8	8	3	-	50
KENTUCKY	6	8	9	2	8	8	3	-	44
LOUISIANA	12	8	9	2	8	8	3	-	50
MARYLAND	12	8	9	2	8	8	3	-	50
MINNESOTA	12	8	9	2	8	8	3	-	50
MISSISSIPPI	12	0	9	0	8	7	3	-	39
NEW MEXICO	12	4	9	2	8	8	3	-	46
NEW YORK	12	8	9	2	8	8	3	-	50
OKLAHOMA	12	8	9	2	8	6	3	-	48
SOUTH CAROLINA	6	8	3	2	8	0	3	-	30
TEXAS	12	8	9	2	8	8	3	-	50
VIRGINIA	12	8	9	2	8	8	3	-	50
WASHINGTON	12	8	9	2	8	8	3	-	50
WEST VIRGINIA	12	8	9	0	8	7	3	-	47

2006 HAZARDOUS LIQUID PIPELINE SAFETY GRANT ALLOCATION

STATE	REQUEST	STATE POINTS	ALLOCATION	PERCENT OF FUNDING
ALABAMA	\$32,886	100	\$28,342	43.091%
ARIZONA	\$33,342	99	\$28,447	42.660%
CALIFORNIA_SFM	\$1,240,950	100	\$1,069,470	43.091%
KENTUCKY	\$3,964	94	\$3,212	40.505%
LOUISIANA	\$167,487	100	\$144,343	43.091%
MARYLAND	\$68,560	100	\$59,086	43.091%
MINNESOTA	\$213,920	100	\$184,360	43.091%
MISSISSIPPI	\$6,950	89	\$5,331	38.351%
NEW MEXICO	\$46,474	91	\$36,447	39.213%
NEW YORK	\$79,200	100	\$68,256	43.091%
OKLAHOMA	\$112,442	98	\$94,967	42.229%
SOUTH CAROLINA	\$2,192	80	\$1,511	34.473%
TEXAS	\$272,161	100	\$234,553	43.091%
VIRGINIA	\$69,107	100	\$59,557	43.091%
WASHINGTON	\$383,912	99.5	\$329,207	42.875%
WEST VIRGINIA	\$6,900	97	\$5,768	41.798%
Totals	\$2,740,447		\$2,352,857	