



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

1200 New Jersey Avenue SE  
Washington DC 20590

# 2019 Gas State Program Evaluation

for

## NORTH CAROLINA UTILITIES COMMISSION

### Document Legend

#### PART:

- O -- Representative, Dates and Title Information
- A -- Progress Report and Program Documentation Review
- B -- Program Inspection Procedures
- C -- State Qualifications
- D -- Program Performance
- E -- Field Inspections
- F -- Damage prevention and Annual report analysis
- G -- Interstate Agent/Agreement States



# 2019 Gas State Program Evaluation -- CY 2019

## Gas

**State Agency:** North Carolina

**Agency Status:**

**Date of Visit:** 06/08/2020 - 08/11/2020

**Agency Representative:** Steve Wood, Gas Pipeline Safety Manager

**PHMSA Representative:** Agustin Lopez, State Liaison

**Commission Chairman to whom follow up letter is to be sent:**

**Name/Title:** Charlotte A. Mitchell, Chair

**Agency:** North Carolina Utilities Commission

**Address:** 430 North Salisbury Street, Dobbs Building

**City/State/Zip:** Raleigh, North Carolina 27603

**Rating:**

**60105(a):** Yes **60106(a):** No **Interstate Agent:** No

### INSTRUCTIONS:

Complete this evaluation in accordance with the Evaluator Guidance for conducting state pipeline safety program evaluations. The evaluation should generally reflect state program performance during CY 2019 (not the status of performance at the time of the evaluation). A deficiency in any one part of a multiple-part question should be scored as "Needs Improvement." Determine the answer to the question then select the appropriate point value. If a state receives less than the maximum points, include a brief explanation in the appropriate notes/comments section. If a question is not applicable to a state, select NA. Please ensure all responses are COMPLETE and ACCURATE, and they OBJECTIVELY reflect the state's program performance for the question being evaluated. Increasing emphasis is being placed on how the state pipeline safety programs conduct and execute their pipeline safety responsibilities (their performance). This evaluation, together with selected factors reported in the state's annual progress report attachments, provide the basis for determining the state's pipeline safety grant allocation.

### Scoring Summary

#### PARTS

#### Possible Points Points Scored

A Progress Report and Program Documentation Review  
B Program Inspection Procedures  
C State Qualifications  
D Program Performance  
E Field Inspections  
F Damage prevention and Annual report analysis  
G Interstate Agent/Agreement States

0  
15  
10  
50  
15  
4  
0

0  
15  
10  
50  
15  
4  
0

#### TOTALS

94 94

**State Rating** ..... **100.0**

## PART A - Progress Report and Program Documentation Review

Points(MAX)    Score

1    Were the following Progress Report Items accurate?

Info Only   Info Only

Info Only = No Points

- a.    Stats On Operators Data - Progress Report Attachment 1
- b.    State Inspection Activity Data - Progress Report Attachment 2
- c.    List of Operators Data - Progress Report Attachment 3\*
- d.    Incidents/Accidents Data - Progress Report Attachment 4\*
- e.    Stats of Compliance Actions Data - Progress Report Attachment 5\*
- f.    List of Records Kept Data - Progress Report Attachment 6 \*
- g.    Staff and TQ Training Data - Progress Report Attachment 7
- h.    Compliance with Federal Regulations Data - Progress Report Attachment 8
- i.    Performance and Damage Prevention Question Data - Progress Report Attachment 10\*

### Evaluator Notes:

- a. Reviewed Annual Reports in PDM to verify operators. Reviewed Attachment 1 data with NCUC tracking spreadsheet to verify inspection data.
- b. Reviewed NCUC spreadsheet to verify activity data submitted on Progress Report. The data seems to be accurate.
- c. Reviewed Annual Reports in PDM to verify operators.
- d. The NCUC investigated all reportable incidents in PDM.
- e. Reviewed the data submitted in Progress Report with state data spreadsheet and it seems to be accurate.
- f. The NCUC has records electronically and are secured and only accessible to NCUC staff.
- g. Reviewed T&Q Blackboard to verify qualifications of NCUC staff.
- h. The state of NC has automatic adoption of the regulations.
- i. The NCUC has performance objectives and damage prevention information submitted in Attachment 10.

Total points scored for this section: 0  
Total possible points for this section: 0



## PART B - Program Inspection Procedures

Points(MAX) Score

- |   |   |   |   |
|---|---|---|---|
| 1 | Do written procedures address pre-inspection, inspection and post inspection activities for each of the following inspection types: Chapter 5.1<br>Yes = 5 No = 0 Needs Improvement = 1-4   | 5 | 5 |
|   | <ul style="list-style-type: none"><li>a. Standard Inspections, which include Drug/Alcohol, CRM and Public Awareness Effectiveness Inspections</li><li>b. TIMP and DIMP Inspections (reviewing largest operator(s) plans annually)</li><li>c. OQ Inspections</li><li>d. Damage Prevention Inspections</li><li>e. On-Site Operator Training</li><li>f. Construction Inspections (annual efforts)</li><li>g. LNG Inspections</li></ul> |   |   |

### Evaluator Notes:

- a. Section V of Pipeline Safety Program Procedures Manual has inspection procedures which give guidance to state inspectors on how to conduct standard inspections. The procedures include pre and post inspection activities for standard inspections.
- b. Section V has DIMP and IMP procedures which give guidance to the inspectors on conducting IMP and DIMP inspections. The procedures have pre and post inspections activities which are performed for all types of inspections.
- c. Section V has OQ inspection procedures that provide guidance to inspectors on performing OQ inspections. Pre and post inspection activities are included in procedures.
- d. Section V has Damage Prevention inspection procedures that provide guidance to inspectors on performing Damage Prevention inspections. Procedures include pre and post inspection activities.
- e. Procedures include operator training which is provided as needed.
- f. Yes, the procedures manual includes construction inspection guidance to the inspectors which are very detailed. Procedures include the verification of construction technician's qualifications during construction activities.
- g. Section V of Procedures includes LNG inspections which are conducted every 2 calendar years.

- |   |   |   |   |
|---|---|---|---|
| 2 | Do written procedures address inspection priorities of each operator, and if necessary each unit, based on the following elements and time frames established in its procedures? Chapter 5.1<br>Yes = 4 No = 0 Needs Improvement = 1-3  | 4 | 4 |
|   | <ul style="list-style-type: none"><li>a. Length of time since last inspection</li><li>b. Operating history of operator/unit and/or location (includes leakage, incident and compliance activities)</li><li>c. Type of activity being undertaken by operators (i.e. construction)</li><li>d. Locations of operator's inspection units being inspected - (HCA's, Geographic area, Population Centers, etc.)</li><li>e. Process to identify high-risk inspection units that includes all threats - (Excavation Damage, Corrosion, Natural Forces, Outside Forces, Material and Welds, Equipment, Operators and any Other Factors)</li><li>f. Are inspection units broken down appropriately?</li></ul> |   |   |

### Evaluator Notes:

- Yes, inspection planning is in Section IV of procedures.
- a. Length of time since last inspection is considered during inspection planning.
  - b. The history of operator is used to prioritize inspections.
  - c. The types of activities is considered during the inspection planning
  - d. HCAs are considered to prioritize inspections.
  - e. Types of threats are reviewed as part of the inspection process.
  - f. yes, units are broken down appropriately.

- |   |   |   |   |
|---|---|---|---|
| 3 | (Compliance Procedures) Does the state have written procedures to identify steps to be taken from the discovery to resolution of a probable violation? Chapter 5.1<br>Yes = 3 No = 0 Needs Improvement = 1-2                                      | 3 | 3 |
|   | <ul style="list-style-type: none"><li>a. Procedures to notify an operator (company officer) when a noncompliance is identified</li><li>b. Procedures to routinely review progress of compliance actions to prevent delays or breakdowns</li></ul> |   |   |

- c. Procedures regarding closing outstanding probable violations

Evaluator Notes:

a. Section V Parts Q-X of Procedures include post inspection activities on dealing with the discovery to resolution of probable violations found during inspections.. Procedures include the resolution of probable violations and give guidance to avoid breakdown in the tracking of open cases. Procedures also give guidance on civil penalties and closure of probable violations.

- 
- |          |  |   |   |
|----------|--|---|---|
| <b>4</b> | (Incident/Accident Investigations) Does the state have written procedures to address state actions in the event of an incident/accident? | 3 | 3 |
|----------|--|---|---|

Yes = 3 No = 0 Needs Improvement = 1-2

- a. Mechanism to receive, record, and respond to operator reports of incidents, including after-hours reports
- b. If onsite investigation was not made, do procedures require on-call staff to obtain sufficient information to determine the facts to support the decision not to go on-site.

Evaluator Notes:

- a. Yes, the NCUC has an adequate mechanism to receive and respond to incidents. The state law requires operators to notify the state of incidents. Operators are given a telephone list which must be used when calling the NCUC to report an incident. The program manager receives notifications and decides whether to go onsite.
- b. All reportable incidents were investigated by the NCUC. Procedures allow for not going onsite but sufficient information must be obtained.

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- |          |                   |                     |
|----------|-------------------|---------------------|
| <b>5</b> | General Comments: | Info Only Info Only |
|----------|-------------------|---------------------|
- Info Only = No Points

Evaluator Notes:

The NCUC is mainly complying with Part B of the Evaluation.

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Total points scored for this section: 15  
Total possible points for this section: 15



## PART C - State Qualifications

Points(MAX) Score

- |   |   |   |   |
|---|---|---|---|
| 1 | Has each inspector and program manager fulfilled training requirements? (See Guidelines Appendix C for requirements) Chapter 4.4<br>Yes = 5 No = 0 Needs Improvement = 1-4  | 5 | 5 |
|   | <ul style="list-style-type: none"><li>a. Completion of Required OQ Training before conducting inspection as lead</li><li>b. Completion of Required DIMP/IMP Training before conducting inspection as lead</li><li>c. Completion of Required LNG Training before conducting inspection as lead</li><li>d. Root Cause Training by at least one inspector/program manager</li><li>e. Note any outside training completed</li><li>f. Verify inspector has obtained minimum qualifications to lead any applicable standard inspection as the lead inspector (Reference State Guidelines Section 4.3.1)</li></ul> |   |   |

Evaluator Notes:

Reviewed Blackboard to verify inspector qualifications. As of Dec 2019 the following are the inspector qualifications: Gas Standard-H. Bryant, M. Flowers, J. Hall, H. King, B. Tate, A. Williams, S. Wood; DIMP-J. Hall, H. King; TIMP-H. King; OQ- H. Bryant, M. Flowers, H. King, B. Tate, F. Terry, A. Williams; LNG- H. Bryant, M. Flowers, J. Hall, H. King, B. Tate, F. Terry, A. Williams, S. Wood

- |   |  |   |   |
|---|--|---|---|
| 2 | Did state records and discussions with state pipeline safety program manager indicate adequate knowledge of PHMSA program and regulations? Chapter 4.1,8.1<br>Yes = 5 No = 0 Needs Improvement = 1-4 | 5 | 5 |
|---|--|---|---|

Evaluator Notes:

Yes, Mr. Steve Wood is very knowledgeable of the pipeline safety program and regulations.

- |   |  |           |           |
|---|--|-----------|-----------|
| 3 | General Comments:<br>Info Only = No Points | Info Only | Info Only |
|---|--|-----------|-----------|

Evaluator Notes:

The NCUC is mainly complying with Part C of the Evaluation.

Total points scored for this section: 10  
Total possible points for this section: 10



**PART D - Program Performance****Points(MAX) Score**

- |          |  |   |   |
|----------|--|---|---|
| <b>1</b> | Did state inspect all types of operators and inspection units in accordance with time intervals established in written procedures? Chapter 5.1<br>Yes = 5 No = 0 Needs Improvement = 1-4 <ol style="list-style-type: none"><li>a. Standard (General Code Compliance)</li><li>b. Public Awareness Effectiveness Reviews</li><li>c. Drug and Alcohol</li><li>d. Control Room Management</li><li>e. Part 193 LNG Inspections</li><li>f. Construction (did state achieve 20% of total inspection person-days?)</li><li>g. OQ (see Question 3 for additional requirements)</li><li>h. IMP/DIMP (see Question 4 for additional requirements)</li></ol> | 5 | 5 |
|----------|--|---|---|

**Evaluator Notes:**

Yes the NCUC is inspecting each operator per their procedures. Reviewed inspection reports to verify inspections are being conducted.

- |          |  |    |    |
|----------|--|----|----|
| <b>2</b> | Did inspection form(s) cover all applicable code requirements addressed on Federal Inspection form(s)? Did State complete all applicable portions of inspection forms? Chapter 5.1. Do inspection records indicate that adequate reviews of procedures, records and field activities, including notes and the appropriate level of inspection person-days for each inspection, were performed?<br>Yes = 10 No = 0 Needs Improvement = 1-9 <ol style="list-style-type: none"><li>a. Standard (General Code Compliance)</li><li>b. Public Awareness Effectiveness Reviews</li><li>c. Drug and Alcohol</li><li>d. Control Room Management</li><li>e. Part 193 LNG Inspections</li><li>f. Construction</li><li>g. OQ (see Question 3 for additional requirements)</li><li>h. IMP/DIMP (see Question 4 for additional requirements)</li></ol> | 10 | 10 |
|----------|--|----|----|

**Evaluator Notes:**

Yes, the NCUC utilizes PHMSA forms to use as a guide and to document inspections. They started using IA for certain inspections to test and see if it is beneficial to the NCUC. Reviewed inspection reports to verify that the inspectors are completely filling out the applicable portions of inspection forms.

- |          |   |   |   |
|----------|---|---|---|
| <b>3</b> | Is state verifying operators OQ programs are up to date? This should include verification of any plan updates and that persons performing covered tasks (including contractors) are properly qualified and requalified at intervals established in the operator's plan. 49 CFR 192 Part N<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

**Evaluator Notes:**

Yes ,the NCUC increased their number of OQ inspections in the last couple of years to complete all OQ inspections per their procedures.

- |          |  |   |   |
|----------|--|---|---|
| <b>4</b> | Is state verifying operator's integrity management Programs (IMP and DIMP)? This should include a review of plans, along with monitoring progress. In addition, the review should take in to account program review and updates of operator's plan(s). 49 CFR 192 Subpart P<br>Yes = 2 No = 0 Needs Improvement = 1 <ol style="list-style-type: none"><li>a. Are the state's largest operator(s) plans being reviewed annually?</li><li>b. Are states verifying with operators any plastic pipe and components that have shown a record of defects/leaks and mitigating those through DIMP plan?</li><li>c. Are the states verifying operators are including low pressure distribution systems in their threat analysis?</li></ol> | 2 | 2 |
|----------|--|---|---|

Evaluator Notes:

Yes, reviewed inspection reports and database to verify IMP inspections are being conducted.

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5	Did the state review the following (these items are NTSB recommendations to PHMSA that have been deemed acceptable response based on PHMSA reviewing these items during the evaluation process): Chapter 5.1 Yes = 2 No = 0 Needs Improvement = 1	2	2
	a. Operator procedures for determining if exposed cast iron pipe was examined for evidence of graphitization and if necessary remedial action was taken;		
	b. Operator procedures for surveillance of cast iron pipelines, including appropriate action resulting from tracking circumferential cracking failures, study of leakage history, or other unusual operating maintenance condition? (Note: See GPTC Appendix G-18 for guidance);		
	c. Operator emergency response procedures for leaks caused by excavation damage near buildings and determine whether the procedures adequately address the possibility of multiple leaks and underground migration of gas into nearby buildings Refer to 4/12/01 letter from PHMSA in response to NTSB recommendation P-00-20 and P-00-21;		
	d. Operator records of previous accidents and failures including reported third-party damage and leak response to ensure appropriate operator response as required by 192.617;		
	e. Directional drilling/boring procedures of each pipeline operator or its contractor to determine if they include actions to protect their facilities from the dangers posed by drilling and other trench less technologies;		
	f. Operator procedures for considering low pressure distribution systems in threat analysis?		
	g. Operator compliance with state and federal regulations for regulators located inside buildings?		

Evaluator Notes:

The NCUC has a set of questions which are given to each operator to review with them during inspections. The form includes NTSB recommendations and ADBs.

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6	Did the State verify Operators took appropriate action regarding advisory bulletins issued since the last evaluation? (Advisory Bulletins Current Year) Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:

The NCUC has a set of questions which are given to each operator to review with them during inspections. The form includes NTSB recommendations and ADBs.

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7	(Compliance Activities) Did the state follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? Chapter 5.1 Yes = 10 No = 0 Needs Improvement = 1-9	10	10
	a. Were compliance actions sent to company officer or manager/board member if municipal/government system?		
	b. Were probable violations documented properly?		
	c. Resolve probable violations		
	d. Routinely review progress of probable violations		
	e. Did state issue compliance actions for all probable violations discovered?		
	f. Can state demonstrate fining authority for pipeline safety violations?		
	g. Does Program Manager review, approve and monitor all compliance actions? (note: Program Manager or Senior Official should sign any NOPV or related enforcement action)		
	h. Did state compliance actions give reasonable due process to all parties? Including "show cause" hearing, if necessary.		
	i. Within 30 days, conduct a post-inspection briefing with the owner or operator outlining any concerns		



- j. Within 90 days, to the extent practicable, provide the owner or operator with written preliminary findings of the inspection. (Incident investigations do not need to meet 30/90-day requirement)

Evaluator Notes:

- Yes, reviewed randomly selected inspection reports to assure state is following procedures to resolve probable violations.
- Yes, reviewed inspection reports and compliance actions were sent to company officials.
  - Yes, inspection reports reviewed had all probable violations documented.
  - Yes, probable violations were resolved in a timely manner.
  - Yes, seems that all probable violations are being routinely reviewed for closure.
  - Yes, reviewed inspection reports to verify all probable violations found during inspections are being addressed.
  - Yes, the NCUC has issued civil penalties in the past.
  - Yes all letters are reviewed and signed by the PM.
  - Yes the NCUC gives due process to all parties.
  - Yes, Section C has 30 day exit interview requirement which is being followed.
  - Yes, Section C has 90 day written notice requirement which is being followed.

8	(Incident Investigations) Were all incidents investigated, thoroughly documented, with conclusions and recommendations?	10	10
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Yes = 10 No = 0 Needs Improvement = 1-9

- Does state have adequate mechanism to receive and respond to operator reports of incidents, including after-hours reports?
- Did state keep adequate records of Incident/Accident notifications received?
- If onsite investigation was not made, did the state obtain sufficient information from the operator and/or by means to determine the facts to support the decision not to go on site?
- Were onsite observations documented?
- Were contributing factors documented?
- Were recommendations to prevent recurrences, where appropriate, documented?
- Did state initiate compliance action for any violations found during any incident/accident investigation?
- Did state assist Region Office or Accident Investigation Division (AID) by taking appropriate follow-up actions related to the operator incident reports to ensure accuracy and final report has been received by PHMSA?
- Does state share any lessons learned from incidents/accidents?

Evaluator Notes:

- Yes all reportable incidents were investigated by the NCUC. Discussed with the NCUC the need for compliance actions or civil penalties due violations of the regulations which caused an incident
- Yes, the NCUC has an adequate mechanism to receive and respond to incidents. The state law requires operators to notify the state of incidents. Operators are given a telephone list which must be used when calling the NCUC to report an incident. The program manager receives notifications and decides whether to go onsite.
  - Yes, the NCUC keeps records of incident notifications received.
  - ALI reportable incidents are investigated.
  - Yes the incidents reports document observations.
  - Yes, contributing factors are documented on the investigation reports.
  - Discussed with the NCUC the need to recommend or issue compliance actions to prevent recurrences of same type of incidents.
  - No compliance actions were issued on incidents.
  - Yes the NCUC works with the AID whenever requested to assist in incidents or provide information/updates.
  - Yes the NCUC shares lessons learned during the state of the state of the NAPS Regional Meeting.

9	Did state respond to Chairman's letter on previous evaluation within 60 days and correct or address any noted deficiencies? (If necessary) Chapter 8.1	1	1
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Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

There was no response required.

- 10** Did State conduct or participate in pipeline safety training session or seminar in Past 3 Years? Chapter 8.5 Info Only Info Only  
Info Only = No Points

Evaluator Notes:

Yes, the last seminar was in 2018.

- 11** Has state confirmed transmission operators have submitted information into NPMS database along with changes made after original submission? Info Only Info Only  
Info Only = No Points

Evaluator Notes:

Yes, NCUC utilizes PHMSA Forms which includes verification of NPMS submissions.

- 12** Does the state have a mechanism for communicating with stakeholders - other than state pipeline safety seminar? (This should include making enforcement cases available to public). 1 1  
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, the NCUC website has pipeline safety information and cases can be reviewed by docket numbers. The NCUC also interacts with stakeholders during conferences and phone calls from the public.

- 13** Did state execute appropriate follow-up actions to Safety Related Condition (SRC) Reports? Chapter 6.3 1 1  
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

No SRCR were reported in 2019. Verified with PDM and state data.

- 14** Was the State responsive to: 1 1  
Yes = 1 No = 0 Needs Improvement = .5  
a. Surveys or information requests from NAPS or PHMSA;  
b. Operator IM notifications; and  
c. PHMSA Work Management system tasks?

Evaluator Notes:

Yes, Mr. Steve Wood responds to all requests and surveys from NAPS and PHMSA.

- 15** If the State has issued any waivers/special permits for any operator, has the state verified conditions of those waivers/special permits are being met? This should include having the operator amend procedures where appropriate. 1 1  
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

There are no open waivers needing verification of conditions by the NCUC.

- 16** Were pipeline program files well-organized and accessible? Info Only Info Only  
Info Only = No Points

Evaluator Notes:

Yes, files are kept well organized and are accessible.

- 17** Discussion with State on accuracy of inspection day information submitted into State Inspection Day Calculation Tool (SICT). Has the state updated SICT data? 3 3  
Yes = 3 No = 0 Needs Improvement = 1-2

Evaluator Notes:

Discussed the SICT with the NCUC and there are no issues or concerns. Mentioned the requirement of 20% of inspection days of construction which the NCUC is meeting.

- 18** Discussion on State Program Performance Metrics found on Stakeholder Communication Info Only Info Only  
site.\ <http://primis.phmsa.dot.gov/comm/states.htm?nocache=4805>  
Info Only = No Points

Evaluator Notes:

Discussed the performance metrics with the NCUC. Damage per 1,000 tickets is on decrease but went up slightly in 2019. Total leaks and hazardous leaks repaired went up in 2019, but scheduled leaks went down(positive). The NCUC has data which demonstrates the analysis of leaks, excavation damages and classification. The data is discusses with operators to try to improve the metrics.

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- 19** Did the state encourage and promote operator implementation of Pipeline Safety Management Systems (PSMS), or API RP 1173? This holistic approach to improving pipeline safety includes the identification, prevention and remediation of safety hazards. Info Only Info Only  
Info Only = No Points

- a. <https://pipelinesms.org/>
- b. Reference AGA recommendation to members May 20, 2019

Evaluator Notes:

Discussed with the NCUC. Found that larger operators are more aware and beginning to implement some type of Safety Management Systems but smaller operators are not.

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- 20** General Comments: Info Only Info Only  
Info Only = No Points

Evaluator Notes:

The NCUC is mainly complying with Part D of the Evaluation.

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Total points scored for this section: 50  
Total possible points for this section: 50



## PART E - Field Inspections

Points(MAX) Score

- 1 Operator, Inspector, Location, Date and PHMSA Representative (enter specifics into the comments box below) Info Only Info Only

Info Only = No Points

- What type of inspection(s) did the state inspector conduct during the field portion of the state evaluation? (i.e. Standard, Construction, IMP, etc)
- When was the unit inspected last?
- Was pipeline operator or representative present during inspection?
- Effort should be made to observe newest state inspector with least experience

### Evaluator Notes:

Piedmont Natural Gas

Tarboro Area

Brooks Tate- NCUC

August 11, 2020

a. Standard inspection of Tarboro Area concentrating on regulator stations.

b. 2019

c. Yes, operator representatives were present during the inspection.

The evaluation was conducted virtually via TEAMS due to the pandemic. The inspector observed the operator technicians check relief valves thru video on the phone.

- 2 Did the inspector use an appropriate inspection form/checklist and was the form/checklist used as a guide for the inspection? (New regulations shall be incorporated) 2 2
- Yes = 2 No = 0 Needs Improvement = 1

### Evaluator Notes:

Yes, utilize equivalent PHMSA Form to document inspection.

- 3 Did the inspector adequately review the following during the inspection 10 10
- Yes = 10 No = 0 Needs Improvement = 1-9

- Procedures (were the inspector's questions of the operator adequate to determine compliance?)
- Records (did the inspector adequately review trends and ask in-depth questions?)
- Field Activities/Facilities (did inspector ensure that procedures were being followed, including ensuring that properly calibrated equipment was used and OQ's were acceptable?)
- Other (please comment)
- Was the inspection of adequate length to properly perform the inspection?

### Evaluator Notes:

The evaluation only included the field portion of the inspection. Records and procedures were reviewed on a different week. The inspector observed technicians check and test relief valves. He also had the technicians show video of every regulator station so he could check the condition of the pipeline facilities.

- 4 From your observation did the inspector have adequate knowledge of the pipeline safety program and regulations? (Evaluator will document reasons if unacceptable) 2 2
- Yes = 2 No = 0 Needs Improvement = 1

### Evaluator Notes:

Yes, Mr. Brooks Tate is very knowledgeable of the pipeline safety program and regulations.

- 5 Did the inspector conduct an exit interview, including identifying probable violations? (If inspection is not totally completed the interview should be based on areas covered during time of field evaluation) 1 1
- Yes = 1 No = 0 Needs Improvement = .5

### Evaluator Notes:

Yes, the inspector concluded the inspection with an exit briefing of the field inspection. The final exit briefing will be on a

later date when he completes the entire inspection of the operator's units. There were no issues found during the field inspection portion.

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**6** Was inspection performed in a safe, positive, and constructive manner ? Info Only Info Only

Info Only = No Points

- a. No unsafe acts should be performed during inspection by the state inspector
- b. What did the inspector observe in the field? (Narrative description of field observations and how inspector performed)
- c. Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices)
- d. Other

Evaluator Notes:

Yes, the inspector performed the inspection virtually due to the pandemic.

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**7** General Comments: Info Only Info Only

Info Only = No Points

Evaluator Notes:

The evaluation was conducted virtually via TEAMS due to the pandemic. The inspector observed the operator technicians check relief valves thru video on the phone. He conducted himself very professionally and did an exceptional job.

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Total points scored for this section: 15  
Total possible points for this section: 15



**PART F - Damage prevention and Annual report analysis****Points(MAX) Score**

- |   |  |   |   |
|---|--|---|---|
| 1 | Has the state reviewed Operator Annual reports, along with Incident/Accident reports, for accuracy and analyzed data for trends and operator issues.<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

Yes, review annual report and analyze for accuracy and trends. Review incidents during inspections.

- |   |  |   |    |
|---|--|---|----|
| 2 | Has the state verified that the operators analyze excavation damages for the purpose of determining root causes and minimizing the possibility of a recurrence? (? 192.617)<br>Has the state verified that the operators have appropriately identified excavators who have repeatedly violated one-call laws and damaged their facilities. Have the operators taken steps to mitigate that risks? (? 192.1007)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | NA |
|---|--|---|----|

Evaluator Notes:

Discussed with NCUC the need to document what actions they are taking to assure operators are analyzing excavation damages to find root cause and minimize recurrence of the incidents.

- |   |   |   |    |
|---|---|---|----|
| 3 | Has the state reviewed the operator's annual report pertaining to Part D ? Excavation Damage?<br>Yes = 4 No = 0 Needs Improvement = 1-3 <ol style="list-style-type: none"><li>a. Is the information complete and accurate with root cause numbers?</li><li>b. Has the state evaluated the causes for the damages listed under "One-Call Notification Practices Not Sufficient" (Part D.1.a.)?</li><li>c. Has the state evaluated the causes for the damages listed under "Locating Practices Not Sufficient" (Part D.1.b)? For each operator, does the state review the following?</li><li>d. Is the operator or its locating contractor(s) qualified and following written procedures for locating and marking facilities?</li><li>e. Is the operator appropriately requalifying locators to address performance deficiencies?</li><li>f. What is the number of damages resulting from mismarks?</li><li>g. What is the number of damages resulting from not locating within time requirements (no-shows)?</li><li>h. Is the operator appropriately addressing discovered mapping errors resulting in excavation damages?</li><li>i. Are mapping corrections timely and according to written procedures?</li><li>j. Has the state evaluated the causes for the damages listed under "Excavation Practices Not Sufficient" (Part D.1.c.)?</li></ol> | 4 | NA |
|---|---|---|----|

Evaluator Notes:

Discussed with the NCUC the need to document any actions taken or reviews of operator annual reports Part D to be able to demonstrate they are taking some type of actions to reduce excavation damages. Reviewed data sent to the NCUC via email which showed operators with issues/ concerns on the number of excavation damages.

- |   |   |   |   |
|---|---|---|---|
| 4 | Has the agency or another organization within the state collected data and evaluated trends on the number of pipeline damages per 1,000 locate requests?<br>Yes = 2 No = 0 Needs Improvement = 1 <ol style="list-style-type: none"><li>a. What stakeholder group is causing the highest number of damages to the pipelines? Operator, contractor, locating company or public.</li><li>b. Has the state verified the operator is appropriately focusing damage prevention education and training to stakeholders causing the most damages?</li><li>c. Has the state evaluated which of the following best describes the reason for the excavation damages; i.e., operator or contractor not following written procedures, failure to maintain marks, failure to support exposed facilities, failure to use hand tools were required, failure to test-hole (pot hole), improper backfilling practices, failure to maintain clearance or insufficient excavation practices.</li><li>d. Has the state verified the operator is appropriately focusing damage prevention education and training to address the causes of excavation damages?</li></ol> | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

Review annual reports to gather data to analyze and trend. Also the N. Carolina 811 website publishes the Supermega spreadsheet from 811 which has data analysis of number of hits.

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**5** General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

The NCUC is mainly complying with Part F of the Evaluation.

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Total points scored for this section: 4  
Total possible points for this section: 4



## PART G - Interstate Agent/Agreement States

Points(MAX) Score

- 1 Were all inspections of interstate pipelines conducted using the Inspection Assistant program for documenting inspections. Info Only Info Only  
Info Only = No Points

Evaluator Notes:

The NCUC is not and interstate agent nor has a 60106 Certification.

- 2 If inspections were conducted independent of a PHMSA team inspection was notice of all identified probable violations provided to PHMSA within 60 days. Info Only Info Only  
Info Only = No Points

Evaluator Notes:

The NCUC is not and interstate agent nor has a 60106 Certification.

- 3 If inspections were conducted independent of a PHMSA team inspection was PHMSA immediately notified of conditions which may pose an immediate safety hazard to the public or environment? Info Only Info Only  
Info Only = No Points

Evaluator Notes:

The NCUC is not and interstate agent nor has a 60106 Certification.

- 4 If inspections were conducted independent of a PHMSA team inspection did the state coordinate with PHMSA if inspections not were not included in the PHMSA Inspection Work Plan? Info Only Info Only  
Info Only = No Points

Evaluator Notes:

The NCUC is not and interstate agent nor has a 60106 Certification.

- 5 Did the state take direction from and cooperate with PHMSA for all incident investigations conducted on interstate pipelines? Info Only Info Only  
Info Only = No Points

Evaluator Notes:

The NCUC is not and interstate agent nor has a 60106 Certification.

- 6 General Comments: Info Only Info Only  
Info Only = No Points

Evaluator Notes:

The NCUC is not and interstate agent nor has a 60106 Certification.

Total points scored for this section: 0  
Total possible points for this section: 0