



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

NM PIPELINE SAFETY BUREAU

## 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:** New Mexico

**Agency Status:**

**Date of Visit:** 07/21/2020 - 07/23/2020

**Agency Representative:** Jason Montoya, Bureau Chief  
James Stanovcak, Pipeline Safety Supervisor  
Loretta Cuthrell, Pipeline Safety Inspector

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

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

**Name/Title:** Theresa Becenti-Aguilar, Chair  
**Agency:** New Mexico Public Regulation Commission  
**Address:** 1120 Paseo De Peralta  
**City/State/Zip:** Santa Fe, NM 87504

**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. Verified information with PDM and Annual Reports and have no issues.
- b. Reviewed Attachment 2 data with NMPRC consolidated data sheet to verify activity data.
- c. Verified operator data with Annual Reports and attachment 3 seems accurate. There was one operator, IACX not on attachment 3 but was verified with NMPRC operator inspection list.
- d. Verified incidents with PDM and all reportable incidents were listed and investigated by the NMPRC.
- e. Verified compliance actions with NMPRC data and found no issues. Carryovers were accurate and have been reduced from previous year.
- f. NMPRC keeps electronic records.
- g. Verified staff training and qualifications with TQ Blackboard.
- h. The NMPRC has adopted all required federal regulations.
- i. NMPRC submitted their performance goals and damage prevention initiatives.

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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 1, VII of the Standard Operating Procedures has guidance for state inspectors on how to perform standard inspections. The procedure includes pre and post inspection activities. Section 3 gives guidance to inspectors on how to perform standard and specialized inspections (VII) which include Drug & Alcohol, CRM and PAP inspections.
- b. Section 1, VII of the Standard Operating Procedures has guidance for state inspectors on how to perform standard inspections. The procedure includes pre and post inspection activities. Section 3 gives guidance to inspectors on how to perform standard and specialized inspections (VII) which include DIMP and IMP.
- c. Section 1, VII of the Standard Operating Procedures has guidance for state inspectors on how to perform standard inspections. The procedure includes pre and post inspection activities. Section 3 gives guidance to inspectors on how to perform standard and specialized inspections (VII) which include OQ inspections.
- d. Section 1, VII of the Standard Operating Procedures has guidance for state inspectors on how to perform standard inspections. The procedure includes pre and post inspection activities. Section 3 gives guidance to inspectors on how to perform standard and specialized inspections (VII) which include Damage Prevention inspections.
- e. Section 1, VII of the Standard Operating Procedures has guidance for state inspectors on how to perform standard inspections. The procedure includes pre and post inspection activities. Section 3 gives guidance to inspectors on how to perform standard and specialized inspections (VII) which include operator training.
- f. Section 1, V.I. and Section 2, IX has procedures for conducting construction inspections.
- g. There are no regulated LNG facilities in NM.

- |   |   |   |   |
|---|---|---|---|
| 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:

Section 1, V and VI has procedures to determine inspection priorities which include history, compliance actions, length of last inspection, internal/external operating events, mergers, etc. Inspection units are broken down appropriately.

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|---|---|---|---|
| 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 1, VIII(B) has procedures to notify company/gov't official of non compliance.  
b. Section 1, VIII has compliance procedures which requires to routinely follow up on open compliance actions to avoid breakdowns.  
c. Section 1, VIII has procedures on closing outstanding probable violations.

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|----------|--|---|---|
| <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. Section 2 and PSB Policy 10-004 has mechanism and procedures that address the reporting and investigation of incidents/accidents.  
b. Section 2 and PSB Policy 10-004 has mechanism and procedures that address the reporting and investigation of incidents/accidents which includes the gathering of sufficient information if decision is made not to go on site.

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

Evaluator Notes:

The NMPRC is mainly in compliance 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 inspection reports to verify lead inspectors are qualified to lead each type of inspection. IMP/DIMP leads were trained to lead inspections. Several inspectors have completed the Root Cause Course. There are no LNG facilities in NM.

- |   |  |   |   |
|---|--|---|---|
| 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. Jason Montoya 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 NMPRC 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

- |   |   |   |   |
|---|---|---|---|
| 1 | 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  | 5 | 5 |
|   | <ul 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></ul> |   |   |

**Evaluator Notes:**

Yes, reviewed inspection reports and NMPRC large operator list to verify inspection intervals are being met per their procedures. Only concern is the small number of construction days dedicated by the NMPRC. The 20% construction days requirement were discussed with the NMPRC and the need to increase the total construction time to meet the requirement.

- |   |   |    |    |
|---|---|----|----|
| 2 | 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 | 10 | 10 |
|   | <ul 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></ul>  |    |    |

**Evaluator Notes:**

The NMPRC utilizes PHMSA equivalent forms to document the inspections. Reviewed inspection reports to verify the completion of the applicable portions of the forms. Inspection days are documented on form and seem to be an appropriate level to thoroughly complete each type of inspection.

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|---|---|---|---|
| 3 | 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 NMPRC is conducting OQ inspections to verify operator OQ Plans meet the regulations. Reviewed inspection reports and NMPRC inspection list to verify completion of OQ Inspections.

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|---|---|---|---|
| 4 | 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 | 2 | 2 |
|   | <ul 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></ul>                              |   |   |

- c. Are the states verifying operators are including low pressure distribution systems in their threat analysis?

Evaluator Notes:

Yes, the NMPRC conducts IMP/DIMP inspections to verify operator IMP/DIMP plans. Reviewed IMP/DIMP inspections to verify IMP/DIMP inspections are being performed by the NMPRC.

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|---|---|---|---|
| 5 | <p>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</p> <p>Yes = 2 No = 0 Needs Improvement = 1</p> <ul style="list-style-type: none"> <li>a. Operator procedures for determining if exposed cast iron pipe was examined for evidence of graphitization and if necessary remedial action was taken;</li> <li>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);</li> <li>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;</li> <li>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;</li> <li>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;</li> <li>f. Operator procedures for considering low pressure distribution systems in threat analysis?</li> <li>g. Operator compliance with state and federal regulations for regulators located inside buildings?</li> </ul> | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

The NMPRC added an Addendum sheet to the inspection form which include NTSB and ADB questions to verify with each operator. New questions are added to the Addendum whenever they posted.

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|---|---|---|---|
| 6 | <p>Did the State verify Operators took appropriate action regarding advisory bulletins issued since the last evaluation? (Advisory Bulletins Current Year)</p> <p>Yes = 1 No = 0 Needs Improvement = .5</p> | 1 | 1 |
|---|---|---|---|

Evaluator Notes:

The NMPRC added an Addendum sheet to the inspection form which include NTSB and ADB questions to verify with each operator. New questions are added to the Addendum as they are posted.

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| 7 | <p>(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</p> <p>Yes = 10 No = 0 Needs Improvement = 1-9</p> <ul style="list-style-type: none"> <li>a. Were compliance actions sent to company officer or manager/board member if municipal/government system?</li> <li>b. Were probable violations documented properly?</li> <li>c. Resolve probable violations</li> <li>d. Routinely review progress of probable violations</li> <li>e. Did state issue compliance actions for all probable violations discovered?</li> <li>f. Can state demonstrate fining authority for pipeline safety violations?</li> <li>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)</li> <li>h. Did state compliance actions give reasonable due process to all parties? Including "show cause" hearing, if necessary.</li> </ul> | 10 | 10 |
|---|--|----|----|

- 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, the NMPRC is mainly following their procedures from the discovery to resolution of compliance actions.

- a. All compliance actions are sent to company officials/govt officials.
- b. Yes, probable violations were documented on each inspection.
- c. Yes, the NMPRC resolved probable violations.
- d. Yes, the NMPRC routinely reviews the progress of open cases.
- e. Yes, reviewed inspection reports to verify all probable violations were addressed.
- f. Yes, the NMPRC has issued civil penalties.
- g. Yes, all correspondence is reviewed and signed by the Program Manager.
- h. Yes, the NMPRC give due process to all parties.
- i. Yes, the inspector documents 30 day exit briefing on the inspection report.
- j. Yes, written correspondence was given to operator within the 90 day requirement.

<b>8</b>	(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

- a. Does state have adequate mechanism to receive and respond to operator reports of incidents, including after-hours reports?
- b. Did state keep adequate records of Incident/Accident notifications received?
- c. 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?
- d. Were onsite observations documented?
- e. Were contributing factors documented?
- f. Were recommendations to prevent recurrences, where appropriate, documented?
- g. Did state initiate compliance action for any violations found during any incident/accident investigation?
- h. 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?
- i. Does state share any lessons learned from incidents/accidents?

Evaluator Notes:

- a. Yes. Procedures for telephonic notice are set forth in PSB Policy 07-00207 (See Appendix A). The staff person receiving telephonic notice is responsible for documenting the information received on the form titled Pipeline Incident Report.
- b. Yes, reviewed incident investigation reports.
- c. Onsite was made on all reportable incidents.
- d. Yes, inspection report had observations documented.
- e. Yes, inspection report had contributing factors or cause of incident.
- f. Yes, inspection report documents recommendation or if any violations are found.
- g. Yes, there was one incident which required the operator to complete actions.
- h. Yes, the NMPRC cooperates with PHMSA AID if requested.
- i. Yes, the NMPRC shares lessons learned during the SW Region NAPSR Meetings.

<b>9</b>	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:

Yes, the NMPRC responded within the 60 day requirement.

<b>10</b>	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 NMPRC co-host a yearly seminar with the LDNR and also have New Mexico Common Ground Alliance and NM 811 Conferences yearly.

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| <b>11</b> | Has state confirmed transmission operators have submitted information into NPMS database along with changes made after original submission?<br>Info Only = No Points | Info Only Info Only |
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Evaluator Notes:

Yes, inspection forms cover the NMPS submittals by operators.

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| <b>12</b> | 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).<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 1 |
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Evaluator Notes:

Yes, NMPRC website has pipeline safety information and also participate in conferences.

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

Evaluator Notes:

Yes, had one SRCR which the NMPRC had follow up information. Keep WMS updated on SRCR thru the PHMSA Portal.

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

Evaluator Notes:

Yes, the NMPRC responds to PHMSA and NAPS surveys and requests. Keep WMS tasks updated.

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| <b>15</b> | 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.<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 1 |
|-----------|--|-----|

Evaluator Notes:

NMPRC has no current waivers that require follow up action.

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|-----------|---|---------------------|
| <b>16</b> | Were pipeline program files well-organized and accessible?<br>Info Only = No Points | Info Only Info Only |
|-----------|---|---------------------|

Evaluator Notes:

Yes, all records were reviewed electronically with no issues.

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

Evaluator Notes:

Discussed the need for construction days to be updated on the SICT to meet the 20% requirement.

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

Evaluator Notes:

Discussed Performance Metrics the NMPRC. The NMPRC reviews the performance metrics for negative trends and check for accuracy of annual reports. The leak and damages per 1,000 tickets leak data are on a good trend.

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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:

Yes, have discussed with operators and will add question to the inspection form Addendum.

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

Evaluator Notes:

The NMPRC 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:

Durango Midstream, LLC  
Drug and Alcohol Plan Inspection  
June 15-16, 2020  
Lead Inspector: Antonio Archuleta  
PHMSA Evaluator: Agustin Lopez

The field evaluation was performed virtually thru ZOOM due to the pandemic.

- 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, the inspector utilized PHMSA's Form 4.1; Drug and Alcohol Misuse Inspection Protocol

- 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 inspector reviewed the Drug and Alcohol Procedures provided by Durango Midstream.
- Yes, the inspector reviewed drug and alcohol testing records, training records and qualification records.
- There was no field portion for this type of inspection.
- Inspector used the form as a guide and to document the inspection results.
- Yes, the inspection was two days and was adequate time to complete the inspection.

- 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. Antonio Archuleta has been with the PRC for about 3 years and he was knowledgeable of the pipeline safety rules and regulations. He provided feedback to the operator with issues identified during the inspection.

- 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 Mr. Archuleta completed the inspection with an exit interview to discuss findings and issues identified during the

inspection. There were some issues with the plan which require amending.

The following were the identified issues:

A-3 Qualification Requirements

A-4 Service Agent Limitations

A-6 Covered Employees

B-3b Post Accident Drug Testing

B-3e Return to duty drug testing

B-3f Follow up drug testing

C-9b Post accident alcohol testing

C-9c Reasonable Suspicion alcohol testing

C-9d Return to duty process and alcohol testing

E-1 Drug and Alcohol Program recordkeeping

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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 inspection was conducted virtually thru ZOOM due to the pandemic in NM as a safe precaution.

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7 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

Mr. Antonio Archuleta conducted a very thorough inspection of Durango Midstream's Drug and Alcohol Plan. He identified issues with the plan which required amending the plan. He was very knowledgeable of the pipeline safety rules and regulation.

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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**

- |          |  |   |   |
|----------|--|---|---|
| <b>1</b> | 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:**

The NMPRC review and analyze Annual Report and incident data to risk rank their operators. Data is kept in the Large Operator report.

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| <b>2</b> | 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 the verification of third party data submitted by operators to assure operators are minimizing the recurrence of incidents. The NMPRC works with their Damage Prevention section to review and analyze data.

- |          |   |   |    |
|----------|---|---|----|
| <b>3</b> | 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:**

The NMPRC has a good Damage Prevention program which enforces the program. The Damage Prevention section investigates and issues enforcement actions if necessary. Discussed with NMPRC the need to review Part D of annual reports to work with operators to verify data and to find any discrepancies. Also to verify what operators are doing to reduce the numbers.

- |          |  |   |   |
|----------|--|---|---|
| <b>4</b> | 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></ol> | 2 | 2 |
|----------|--|---|---|

- d. Has the state verified the operator is appropriately focusing damage prevention education and training to address the causes of excavation damages?

Evaluator Notes:

The NM 811 collects the data and the NMPRC receives the data for trends. The NMPRC works very well with NM 811 to evaluate the data.

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**5** General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

The NMPRC 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 NMPRC 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 NMPRC 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 NMPRC 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 NMPRC 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 NMPRC is not and Interstate Agent nor has a 60106 Certification.

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

Evaluator Notes:

The NMPRC is not and Interstate Agent nor has a 60106 Certification.

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