



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

PUBLIC UTILITIES COMMISSION NEVADA

### 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:** Nevada

**Agency Status:**

**Date of Visit:** 06/15/2020 - 09/11/2020

**Agency Representative:** Paul Maguire, Neil Pascual

**PHMSA Representative:** Michael Thompson

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

**Name/Title:** Stephanie Mullen, Executive Director

**Agency:** Public Utility Commission of Nevada

**Address:** 1150 E. William Street

**City/State/Zip:** Carson City, Nevada 89701

**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 information on changes made in 2018 and 2019 and found to be accurate.
- B. State uses a well documented tracking system.
- C. State has adequately documented and explained the differences in the numbers on attachments 1 and 3.
- D. Incidents reported were verified on PHMSA Data Mart.
- E. Reviewed states "Operator Probable Violations Log for accuracy.
- F. Records list is adequate.
- G. Reviewed training records on blackboard and states documents.
- H. Nevada has automatic adoption in place.
- I. Nevada has made a big effort in reaching its goals.

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. Procedure Manual section 8.0 Gas Code Compliance Activities (PGs 54 ? 97),
- B. Procedure Manual section 8.2 Gas Audits (PGs 64 ? 82), Procedure Manual Audit Specific Information (PGs 89 ? 95)
- C. Procedure Manual Operator Qualifications (OQ) Audit (PGs 85 ? 86)
- D. Procedure Manual Damage Prevention Audit (PGs 96 ? 97)
- E. Procedure Manual 5.4 On Site Operator Training (PGs 25 ? 30) Procedure Manual 5.5 Required State/PHMSA Seminar (PG 30)
- F. Procedure Manual 6.3 Code Compliance Activities (PG 35), Procedure Manual 7.5 Activity Template (PG 48 ? 49), Procedure Manual 8.1 Gas Field Inspections (Both Construction Related Activities and O&M Related Activities) (PGs 54 ? 63)
- G. No Intrastate LNG in Nevada.

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

- Procedure Manual 8.2 Gas Audits (PGs 64-65)
- Procedure Manual 4.7 Operator's Risk Profile and Risk Ranking (PGs 20-22)
- Nevada PSP procedures are to conduct audits of each jurisdictional system annually

- |   |   |   |   |
|---|---|---|---|
| 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><li>c. Procedures regarding closing outstanding probable violations</li></ul> |   |   |

Evaluator Notes:

- Procedure Manual 8.2 Post Audit Activities (PGs 74 ? 82)

- |   |  |   |   |
|---|--|---|---|
| 4 | (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:

Procedure Manual 12.0 Incident Outage Reporting and Incident Investigation (PGs 111 ? 122)

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**5** General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

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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:

Yes.

All seven (7) Nevada PSP personnel (including the Eng. Manager) have the required core classes, including OQ.

All six (6) Nevada PSP Inspector personnel have the required DIMP & IMP T&Q Classes.

All six (6) Nevada PSP Inspector personnel have the required Control Room Classes.

Nevada does not have any jurisdictional LNG facilities, but Nevada PSP does have one (1) person (Mike Evans) with the LNG Class.

All seven (7) Nevada PSP personnel (including the Eng. Manager) have the LPG class.

- |   |  |   |   |
|---|--|---|---|
| 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, Neil has been program manager for 4 years and has been with the PSP program for almost 10 years. As outlined above employee retention is at an all-time high. Neil attends all NAPSRS Western Meetings, NAPSRS National Meetings, Quarterly Westerns PHMSA/NAPSRS Calls, etc. He has also attended the NAPSRS National New Program Manager Orientation each year since 2016.

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

### Evaluator Notes:

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. Nevada has developed a detailed schedule for each type of inspection for each operator based upon a risk and consequence assessment (updated annually) and those intervals are outlined in Appendix E of the Nevada PSP Procedures Manual. Compliance with these intervals is tracked in a spreadsheet call "Standard-Special-Audit-Tracking-Sheet"

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

Yes.

Nevada uses the PHMSA IA inspection forms (paper copies) and completes those forms for formal audits such as;

&#61623; Standard Inspections

&#61623; OQ Program

&#61623; DIMP and TRIMP Programs

&#61623; Public Awareness

&#61623; D&A

&#61623; Control Room

&#61623; Etc.

Nevada uses its own field type forms for the following work:

&#61623; Construction Inspections

&#61623; Small Misc. O&M and other activity Inspections (Leak survey, Reg Maintenance, Valve Maintenance, Leak repairs, Anode Installs, CP reads, MSA Installs, DIMP field mitigation activities). These are then used to complete the Standard Field Inspection Form Section for the year.

Annual Emergency Response Liaison Meetings

Detail Damage Prevention Program Reviews & Quarterly Damage Prevention Data Audits

Annual report reviews

- |   |   |   |   |
|---|---|---|---|
| 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.

Staff performs OQ program inspections on 5-year intervals and is current on all operators. Staff performs Field OQ inspections more often (although requirement varies per operator based on size and risk) and in 2019 Staff performed at least one Field OQ inspection on each operator.

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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 |
|   | a. Are the state's largest operator(s) plans being reviewed annually?<br>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?<br>c. Are the states verifying operators are including low pressure distribution systems in their threat analysis? |   |   |

Evaluator Notes:

Yes.

As outlined in Q1, TRIMP and DIMP Inspections have specific audit intervals.

Nevada meets with its two Large LDCs at least Annually (DIMP items are also discussed quarterly as part of quarterly compliance review meetings) to review DIMP performance and to review if new threats and/or new mitigation measures have been implemented.

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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<br>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;<br>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);<br>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;<br>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;<br>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;<br>f. Operator procedures for considering low pressure distribution systems in threat analysis?<br>g. Operator compliance with state and federal regulations for regulators located inside buildings? |   |   |

Evaluator Notes:

Yes.

These Questions were sent to each operator in Nevada in a 2015 (Q:\PIPELINE-SAFETY\OPERATORS BY TYPE\NTSB) Question Letter, to get initial responses, which were then reviewed.

Additionally, these questions are included on the Special PHMSA/NTSB check list Staff created and uses when inspecting each operator (usually done during Standard Procedure Audits).

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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)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|--|---|---|

Evaluator Notes:

Yes, Reviewed several examples,



Sent letters to 4 largest operators on the threat of indoor meter and regulator installations.  
Also sent operators letters on Permalock ADB.

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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<br>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. Nevada maintains a Probable Violation and Compliance tracking Spreadsheet for each year, where it in logs all violations, issues of concerns and compliance actions, and tracks those issues to resolution.

In 2019 Staff Issued 39 Compliance actions:

&#61623; As of June 6, 2020, all but 9 (30 out of 39) of those Compliance actions have been closed out with an Official Closure Letter.

In 2019 Staff Issued 44 Probable Violations

&#61623; As of June 6, 2020, all but 9 (39 out of 44) Probable Violations have been corrected/addressed. These 5 outstanding items were longer term PVs that were slowed via the COVID-19 Situation.

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

Yes, Nevada had two (federal Reportable events) one involving Southwest Gas-Southern Nevada Division ("SWG-SND") in Las Vegas (4-17-2019) and one involving NV Energy ("NVE") in Reno (8-26-2019).

Nevada keeps good records of all reportable incidents and has worked with AID.

- 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  
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, Evaluation letter went to the state on 9/12/2019 and response was mailed to PHMSA 9/27/2019.

- 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, Last two Seminars were Sept. 8&9, 2015 & April 17 & 18, 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 this is tracked in the "Standard-Special-Audit-Tracking-Sheet",

- 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, all enforcement actions and audit summary letters are filed on a periodic basis for public and other operator review in annual Commission Dockets. Also this information is posted on the PUCN Gas Safety website. All civil penalty cases will have there on Docket and will be publicly filed and be available on the PUCN website.

- 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 SRCRs reported in 2019.

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

Evaluator Notes:

Yes. Nevada typically responds to all NAPSRS survey requests and examples include:

&#61623; April 2019 Idle Riser Survey

&#61623; April 2019 MM & LPG exempt from certain regulation survey

&#61623; April 2019 NAPSRS Salary Survey

Nevada also requested two NAPSRS surveys itself:

&#61623; March 2019, largest size of EFV

&#61623; June 2019, leak survey requirements on all pipelines

Nevada responded to its 2019 Work Management Requests, including rejecting an OPID request for Pilot Pipeline.

- 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:

No Special Permits were issued in 2019. Nevada has issued a total of 4 waivers/special permits, all of which have since been rescinded/closed:

&#61623; Wendover Gas 1998 (Branch Service-Main Definition)  
&#61623; Southwest Gas 1990 (Branch Service-Main Definition)  
&#61623; NV Energy/SPPC 1990 (Branch Service-Main Definition)  
&#61623; Southwest Gas 2009 (Waiver of Maintenance on PBV Valves)

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**16** Were pipeline program files well-organized and accessible? Info Only Info Only

Info Only = No Points

Evaluator Notes:

Yes, Nevada PSP tries to keep good files on all types of inspections and try to use spread sheets and logs such that everything can be tracked and be accessed. The most effective organization tool we have found was to keep documentation digitized and stored on the PUCN server.

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**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:

Nevada increased its Inspection days for 2019 by some 23 days, mainly due to more fine tuning of the minimum requirements, that included moving the TRIMP Field Inspection requirement to 2-year interval given the work occurring and the amount of HCA pipe.

Nevada met its 20 percent minimum construction field day requirement, and in fact construction inspections made up 43 percent of all field days in 2019, which is consistent with the numbers for 2018 and the fact Nevada is the fastest growing state.

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**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:

Yes. The metrics link are actually outlined on the PUCN's webpage:

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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, this topic was covered at our 2018 Pipeline Safety Seminar. Additionally, SWG is part of the AGA test group working through the SMS.

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**20** General Comments: Info Only Info Only

Info Only = No Points

Evaluator Notes:

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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:

- Damage Prevention Field Audit
- N/A
- Yes
- This is the first time I observed Craig Rogers

- 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:

Inspection is conducted using a state form.

- 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:

- Yes, the inspector requested a copy of the operators procedures and his questions showed he was very familiar with the procedures.
- Yes, the inspector reviewed records.
- Yes, the inspector observed several different facility locators doing locates and questioned them about the procedures and what was expected of them. He reviewed the equipment being used.
- The inspector was very detailed in his questions and very aware of what issues might exist for each group of locators. Yes, we covered an appropriate amount of work being conducted for this inspection. Locators for Stake Center, Northern Pipeline - NPL, Mears and Western States.

- 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, the inspector showed an intimate knowledge of the operators procedures and work processes as well as a knowledge and understanding 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, an onsite exit was held on the last day with the inspector sharing what issues had been identified and any requests for

additional information needed to complete the audit. The inspection will be closed at a later date after all requested information has been obtained.

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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:

- a. No unsafe acts observed during the inspection.
- b. The inspector observed locators for each contractor used by the operator performing locates and completing paperwork and documentation as required. The inspector asked very pointed and clear questions of those being observed and was very familiar with the procedures and processes used by the operator and its contractors. List of those observed; Stake Center, Northern Pipeline - NPL, Mears and Western States.
- c. The operator, Southwest Gas has added a step into their procedures where a hand drawn picture of a newly installed service is left by the crew in a plastic bag attached to the riser. This allows locators who might arrive before the service is added to their data base maps to see where the new pipeline is. They can then compare that to the locate tones they are getting with their equipment and have a second source document to verify the location.

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

Info Only = No Points

Evaluator Notes:

This was a really thorough audit of the operators locating process.

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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:**

Yes, each year each operator's annual report is reviewed and either a Distribution or Transmission Checklist is completed (See Pipeline Procedures Section 7.8 Page Manual Page 47 & 48). These checklists were obtained from former PHMSA State Program evaluator Leonard Steiner and the questions were placed in an IA Inspection Form template.

- |          |  |   |    |
|----------|--|---|----|
| <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:**

Yes. Both large LDCs (they only two operators in Nevada that really have excavation damages) provide PSP Staff with real time emails of all excavation damages such that PSP Staff can investigate those damages for compliance with the Nevada One-Call Law. Additionally, each LDC provides Staff quarterly with a spreadsheet of all excavation damages (including cause), and those spread sheets track repeat offenders.

- |          |   |   |    |
|----------|---|---|----|
| <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:**

Yes. As outlined above Nevada PSP Staff meets either quarterly or semi-annually, with both large LDCs to review the accuracy of its excavation damage data before it is ever submitted to PHMSA in an annual report.

- |          |  |   |   |
|----------|--|---|---|
| <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:

Yes. Nevada had its lowest gas excavation damage rate ever in 2019.

Additionally, in 2019 Nevada was the best performing State when comparing damages to the number of natural gas customers/service in each State.

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5 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

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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:

Nevada is not an Interstate Agent

- 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:

Nevada is not an Interstate Agent

- 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:

Nevada is not an Interstate Agent

- 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:

Nevada is not an Interstate Agent

- 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:

Nevada is not an Interstate Agent

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

Evaluator Notes:

Nevada is not an Interstate Agent

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