



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

Office of Regulatory Staff of South Carolina

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: South Carolina

Agency Status:

Date of Visit: 01/01/1900 - 01/01/1900

Agency Representative: Johnny Eustace

PHMSA Representative: Don Martin

Rating:

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

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

Name/Title: Nanette Edwards, Executive Director

Agency: South Carolina Office of Regulatory Staff

Address: 1401 Main Street, Suite 900

City/State/Zip: Columbia, South Carolina 29201

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
49
15
4
0

TOTALS

94 93

State Rating **98.9**

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. Private, Municipal and Master Meter Distribution Operators: PDM - 16 Progress Report has 16. Progress Report also has 2 LPG and 6 Utility Districts which does not show in PDM. Transmission Operators - PDM has 10 operators and Progress Report has 13. ORS should review operator information in PDM to insure PDM has correct information. LNG information is same in PDM and Progress Report.
- (b. Spreadsheet provided by ORS confirms inspection person days entered on Attachment 2 if Drug and Alcohol Inspection Days are not considered. It appears the ORS entered inspection person days, 52, instead of number of Drug and Alcohol inspections. The ORS will request that the Progress Report in FedStar be reopened so these revisions can be made.
- (c. The total number of units for each operator type are consistent between Attachments 1 and 3.
- (d. The ORS entered two incidents in Attachment 4. One incident, Dominion Resources, was determined not to be caused by a release of gas from the jurisdictional gas pipeline. It is not listed in PDM. The other incident, Piedmont Natural Gas, was listed in PDM and in Attachment 4. No issues.
- (e. The spreadsheet provided by the ORS shows 45 probable violations found in 2019. Attachment 5 shows 45. The ORS will request that the Progress Report in FedStar be reopened so these revisions can be made. The calculated Number to Be Corrected at the end of the year was calculated correctly based on number carried over, number found and number corrected.
- (f. From the CY2018 Program Evaluation: Files, reports and records are kept electronically. They are easily accessible. The record system has not changed since the CY2018 Program Evaluation. While conducting the CY2019 Program Evaluation, the electronic records functioned well.
- (g. PHMSA TQ's Blackboard training records system was reviewed. The Inspector Categories assigned to each inspector are correct based upon the completed training records for each inspector.
- (h. Are these correct; and if so why not adopted?
Part 193 25 - 80 FR 168 3/6/2015 Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Edits 3/2015 Not adopted
Part 199 26 - 80 FR 168 3/6/2015 Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Edits 3/2015 Not Adopted
The ORS provided an acceptable explanation that the adoption will take place after PHMSA removes a hold on these two amendments.
- (i. No issues.

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
Yes = 5 No = 0 Needs Improvement = 1-4 | 5 | 5 |
| | <ul style="list-style-type: none">a. Standard Inspections, which include Drug/Alcohol, CRM and Public Awareness Effectiveness Inspectionsb. TIMP and DIMP Inspections (reviewing largest operator(s) plans annually)c. OQ Inspectionsd. Damage Prevention Inspectionse. On-Site Operator Trainingf. Construction Inspections (annual efforts)g. LNG Inspections | | |

Evaluator Notes:

The SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program, revised 6/11/2019, were reviewed.

- (a. Standard inspection procedures include pre-inspection, inspection and post inspection information are located under Inspection Activity on pages 3-4.
- (b. IMP & DIMP inspection procedures are located on page 9 under Inspection Activity in SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program. Pre-inspection, inspection and post inspection information are located on pages 3-4.
- (c. OQ inspection procedures are located on page 7 under Inspection Activity in SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program. Pre-inspection, inspection and post inspection information are located on pages 3-4.
- (d. Damage Prevention inspectionActivities are located on page 9 under Inspection Activity in SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program. Pre-inspection, inspection and post inspection information are located on pages 3-4.
- (e. Onsite Operator training inspection activities are located on page 3 under Inspection Activity in SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program. Pre-inspection, inspection and post inspection information are located on pages 3-4.
- (f. Construction inspection activities are located on pages 6-9 under Inspection Activity in SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program. Pre-inspection, inspection and post inspection information are located on pages 3-4.
- (g. Standard inspection procedures including pre-inspection, inspection and post inspection information are located under Inspection Activity on pages 2. All units, including the two LNG units in SC, are inspected annually. Pre-inspection, inspection and post-inspection information is located on pages 3-4.

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|---|---|---|---|
| 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
Yes = 4 No = 0 Needs Improvement = 1-3 | 4 | 4 |
| | <ul style="list-style-type: none">a. Length of time since last inspectionb. Operating history of operator/unit and/or location (includes leakage, incident and compliance activities)c. Type of activity being undertaken by operators (i.e. construction)d. Locations of operator's inspection units being inspected - (HCA's, Geographic area, Population Centers, etc.)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)f. Are inspection units broken down appropriately? | | |

Evaluator Notes:

Items (a. thru (e. are located on pages 2-4 in SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program. The procedures states that all inspection units will be inspected annually. Inspection units appear to be broken down correctly. The ORS has a spreadsheet that risk ranks Distribution Operators. No issues.

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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
Yes = 3 No = 0 Needs Improvement = 1-2 | 3 | 3 |
| | <ul style="list-style-type: none">a. Procedures to notify an operator (company officer) when a noncompliance is identifiedb. Procedures to routinely review progress of compliance actions to prevent delays or breakdownsc. Procedures regarding closing outstanding probable violations | | |

Evaluator Notes:

- (a. The procedure and process is located on page 11, South Carolina Office of Regulatory Staff Procedures and Guidelines for the Pipeline Safety Program, Non-Compliance Inspection Guidelines, page 11. Section 1.
 - (b. These procedures are located in Section 5-6. page 13-14.
 - (c. These procedures are located in Section 7-9. page 12.
- No issues.

- | | | | |
|---|--|---|---|
| 4 | (Incident/Accident Investigations) Does the state have written procedures to address state actions in the event of an incident/accident?
Yes = 3 No = 0 Needs Improvement = 1-2 | 3 | 3 |
| | <ul style="list-style-type: none">a. Mechanism to receive, record, and respond to operator reports of incidents, including after-hours reportsb. 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. 103-415. Incidents.
 - A. Each gas system shall, as soon as possible, report to the ORS each incident occurring wherein there exist either: (a) serious injury or death of any person; (b) property damage in excess of \$5,000, in the gas system's commercially reasonable estimation, including the gas system's cost of lost gas exiting the gas system's lines to a customer's meter and the expense to make repairs to its facilities or property; or (c) an event that is significant in the judgment of the gas system.
 - B. Each gas system shall establish and follow procedures for analyzing, reporting and minimizing the possibilities of any future incidents. Operators are provided with program manager and staff 24/7 contact information. There is a reporting requirements link on the ORS website; however, the contact information for the Program Manager needs updating.
- (b. The ORS procedures state that all reportable incidents will be investigated on-site on Page 9.

- | | | |
|---|-----------------------|---------------------|
| 5 | General Comments: | Info Only Info Only |
| | Info Only = No Points | |

Evaluator Notes:

There were no deficiencies found that warranted a reduction in points.

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
Yes = 5 No = 0 Needs Improvement = 1-4 | 5 | 5 |
| | <ul style="list-style-type: none">a. Completion of Required OQ Training before conducting inspection as leadb. Completion of Required DIMP/IMP Training before conducting inspection as leadc. Completion of Required LNG Training before conducting inspection as leadd. Root Cause Training by at least one inspector/program managere. Note any outside training completedf. Verify inspector has obtained minimum qualifications to lead any applicable standard inspection as the lead inspector (Reference State Guidelines Section 4.3.1) | | |

Evaluator Notes:

PHMSA TQ's Blackboard Training Records were reviewed. All inspectors and the Program Manager have completed the minimum required training courses and therefore are qualified to lead a Standard Inspection. All inspectors have completed the training requirements to lead a TIMP/DIMP inspection and OQ Inspection. All inspectors have completed the Root Cause course. All inspectors have completed the training to lead a LNG inspection.

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|---|--|---|---|
| 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
Yes = 5 No = 0 Needs Improvement = 1-4 | 5 | 5 |
|---|--|---|---|

Evaluator Notes:

The program manager has completed the minimum required training for leading a Standard Inspection, IMP/DIMP inspection, OQ inspection, LNG inspection and has taken Root Cause class. He understands the requirements of the grant program for annual document preparation and submittal. No issues were found with his knowledge of the pipeline safety program and its requirements.

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|---|--|-----------|-----------|
| 3 | General Comments:
Info Only = No Points | Info Only | Info Only |
|---|--|-----------|-----------|

Evaluator Notes:

There were no deficiencies found that warranted a reduction in points.

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



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

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

Evaluator Notes:

The ORS focuses certain inspection types during each year. This is represented below:

Distribution Comp / 2019 ? Next Round / 2021

Transmission Comp / 2020 ? Next Round / 2022

D&A 2015 ? 2019 Next Round 2024

Integrity Management 2019 ? Next Round 2024

DIMP ? 2017 ? Next Round 2022

OQ 2016 ? Next Round 2021

- | | | | |
|----------|--|----|----|
| 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?
Yes = 10 No = 0 Needs Improvement = 1-9 <ul style="list-style-type: none">a. Standard (General Code Compliance)b. Public Awareness Effectiveness Reviewsc. Drug and Alcohold. Control Room Managemente. Part 193 LNG Inspectionsf. Constructiong. OQ (see Question 3 for additional requirements)h. IMP/DIMP (see Question 4 for additional requirements) | 10 | 10 |
|----------|--|----|----|

Evaluator Notes:

Upon a review of randomly selected inspection files covering 20% of inspections conducted in CY2019, all applicable portions of forms were completed. No instances were found where the inspection forms did not cover pipeline safety regulatory requirements.

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

Evaluator Notes:

The ORS procedures state OQ inspections are conducted within a 5 year time frame. OQ inspections were last conducted in 2016; therefore, OQ will need be completed in 2021 or sooner.

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

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

Evaluator Notes:

The ORS procedures state IMP/DIMP inspections are conducted within a 5 year time frame. The ORS had 83 inspection person days (22% of total) conducting Transmission IMP inspections during CY2019. The ORS did not have any inspection person days conducting DIMP inspections in CY2019 due to completing these inspections in CY2017. The ORS appears to be on schedule to meet its interval on IMP/DIMP inspections.

- (a. The two largest operators are Dominion and Piedmont Natural Gas.
- (b. The ORS has a question covering this issue on its inspection report.
- (c. This has been incorporated into the inspection form for CY2020 since it was added to the Guidelines during the calendar year of 2019.

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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 | 2 | 2 |
|---|--|---|---|

Yes = 2 No = 0 Needs Improvement = 1

- 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:

- | | |
|--|---|
| (a. No cast iron reported by operators in SC. | (b. No cast iron reported by operators in SC. |
| #5 on page 44 of the Distribution Standard Comprehensive Inspection form covers this requirement. | |
| (d. Question on page 42 of the Distribution Standard Comprehensive Inspection form covers this requirement. | |
| (e. The ORS added a Question on all standard comprehensive , Forms 1 and 2. | |
| f. Operator procedures for considering low pressure distribution systems in threat analysis? (Recently added - ORS has scheduled verification) | |
| g. Operator compliance with state and federal regulations for regulators located inside buildings? (Recently added - ORS has scheduled verification) | |

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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) | 1 | 1 |
|---|---|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

May 2, 2019 - Docket No. PHMSA?2019?0087 - Pipeline Safety: Potential for Damage to Pipeline Facilities Caused by Earth Movement and Other Geological Hazards April 11, 2019 - Docket No. PHMSA?2019?0047 - Pipeline Safety: Potential for Damage to Pipeline Facilities Caused by Flooding, River Scour, and River Channel Migration. Two questions (Questions 11 and 12) covering these issues are on the ORS's Emergency Procedures form which is utilized when the ORS is conducting Operation and Maintenance Procedures portion of a Standard Inspection. No issues.

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	10	9
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Yes = 10 No = 0 Needs Improvement = 1-9

- 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:

Fourteen inspections conducted in CY2019 resulted in the discovery of 45 probable violations. Inspection files of the fourteen inspections were reviewed; Bamberg, Ameresco, Clinton Newberry Natural Gas Authority, Bennettsville, Fountain Inn Natural Gas, Greenwood CPW, Laurens CPW, Lancaster, Greer CPW, Lockhart Power, Orangeburg, Siemens, Winnsboro and York.

The ORS has not issued a civil penalty within the last ten years. One Point Deduction.

SC was not a listed state that had exceeded the 30 day or 90 day notifications.

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

- 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:

The ORS investigated the one incident that was determined to reportable per federal criteria. Upon a review of the investigation file, there were no issues identified.

(a. Operators are provided with program manager and staff 24/7 contact information. There is a reporting requirements link on the ORS website; however, the contact information for the Program Manager needs updating. The ORS has a form that is completed to capture initial reporting details of the incident.

(b. Records are kept on the network server hard drive. A screen shot of the folder system was provided illustrating where the records are kept.

(c. The ORS procedures state that all reportable incidents will be investigated on-site. The two reportable incidents were visited on-site; however, one is not completed at this time.

(d, (e., and (f. Reviewed incident investigation file for only reportable incident - Piedmont In Greenville, SC on 10/12/2019. Investigation was conducted on-site and the SC Incident Investigation Form was completed. A vehicle left roadway and struck a regulator station that had protective enclosure around the station. No probable violations were found.

(g. Reviewed incident investigation file for only reportable incident - Piedmont In Greenville, SC on 10/12/2019. No probable violations were found.

(h. Message from IAD "The only State Regulated reportable incident during 2019 in South Carolina was submitted as an Original-Final Report (GD# 20190129), and was Closed, with no issues identified.? Ashley Horton was AID's Lead Investigator.? There is currently an Open investigation for 2020, but that's probably beyond the scope of your audit.? There were a couple of NRCs that turned out to be unrelated to PHMSA regulated piping.? The follow-up and coordination with the state partner was Acceptable."

(i. Yes, the ORS discusses incidents and lessons learned at NAPSRS Southern Region annual meetings.

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 Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:

The ORS responded in 22 days of receiving the evaluation letter. The deficiency was addressed but issuing civil penalties remains a concern.

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

A seminar was held in October 2019. The previous seminar was conducted in August 2017.

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

ORS uses federal standard form which includes this question.

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). Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:

The ORS's webpage was reviewed. It provides a good source of communication with stakeholders The ORS staff also makes presentations at local Utility Coordinationg Committee meetings and the annual CPGA and SGA meetings.

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

There were no SRC Reports filed by Operators in South Carolina during 2019.

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

Evaluator Notes:

There were no known instances where the ORS did not respond.

- 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:

The ORS has one active waiver concerning the use of high pressure PE pipe that was not covered in standards for use. The operator must comply with a condition that requires pipe samples to be removed and tested once every three years. The ORS has verified that the operator complies with this condition and reviews testing results..

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

Evaluator Notes:

From the CY2018 Program Evaluation: Files, reports and records are kept electronically. They are easily accessible. The record system has not changed since the CY2018 Program Evaluation. While conducting the CY2019 Program Evaluation, the electronic records functioned well.

- 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:

The CY2020 SICT spreadsheet completed in 2019 by the ORS was reviewed. The projection showed approximately 246 inspection person years annually including approximately 28 inspection person days for Design, Testing and Construction Inspections (DTC). The email sent to ORS stated:

Below is your calendar year 2020 Inspection-day requirement, along with attached state operator summary.

Gas Program ? 352 days

Peer review notes from your State Inspection Calculation Tool submission ? Be sure to look at your construction days in future submissions.

General notes for all programs ?

? Is your number of construction days appropriate? (see attached data from 2018 Progress Reports)

? Are you risk ranking/noting risk concerns or unique considerations?

Based upon a total of 352 days, the ORS will need to achieve a minimum of approximately 35 inspection person days on DTC inspections.

During a discussion with the Program Manager on 4/21/2019, he exhibited a good working knowledge of the SICT. There was no major concerns expressed by the Peer Review.

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

Evaluator Notes:

Excavation damages per 1000 tickets (EDT) rose slightly in 2019 versus 2017 and 2018. SC's EDT in 2019 is 3.7 while the National Average is slightly below 3. SC has initiated a committee to enhance enforcement actions. The ORS has a seat on the committee. There is a direct link to Attorneys General office to pursue prosecutions.

Inspection person days per 1000 miles is level or trending slightly downward (negative direction). The data is lower than it should be due to an error in the accounting for Drug and Alcohol inspection person days. Days were entered into the number of inspections area of Attachment 2 instead of the table under Standard Inspection. For CY2019, this undercounted inspection person days be approximately 15%.

Inspector Qualification will trend up to 100% in 2020 due one inspector completing core training classes.

Gas Distribution System Leaks - Number of leak repairs is trending level; however, outstanding leaks to be repaired at end of year are trending upward. Operators are being more conservative in leak classification which accelerates time to repair at end of year. ORS is monitoring this issue.

Enforcement - ORS has not reached 100% due to program evaluation scoring "Needs Improvement" on the lack issuing civil penalties. The ORS now has a Legislative Liaison that has a direct communication link with legislators which may provide assistance with this issue.

- 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:

The ORS included SMS on its agenda during the pipeline safety seminar attended by operators. Erin Kurilla from APGA spoke at Seminar and included SMS. Gary McDonal of TQ also presented SMS.

- 20** General Comments: Info Only Info Only

Info Only = No Points

Evaluator Notes:

Question D.7 - The ORS has not issued a civil penalty within the last ten years. One Point Deduction.

Total points scored for this section: 49
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:

The ORS conducted an inspection on Dominion Energy South Carolina.

- The inspection covered the operator's Emergency Procedures and records of response to emergencies with a focus on gas leak responses.
- This was an operator level inspection and did not involve a specific inspection unit.
- The ORS worked with Jeramy Free of DESC.
- No issue.

- 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 ORS utilized the Operation and Maintenance Emergency Procedures portion of Form 2 - Standard Inspection of a Distribution Operator.

- 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 ORS reviewed procedures for emergency response that are in DESC's Operation and Maintenance Procedures and Public Awareness Plan.
- The ORS reviewed records documenting response to emergencies which was primarily focused on leak notifications.
- No field activities were necessary for this type of inspection.
- No other.
- The inspection was carried out over four days. No issues.

- 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:

There were no issues identified with the inspector's knowledge. The inspector has completed all of the required courses at PHMSA's Training and Qualifications.

- 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 exit interview was conducted on September 18, 2020. The interview was documented. There were no probable violations found during the inspection.

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. The inspection was conducted utilizing virtual software and electronic transfer of documents. There were no visits to the operator's office.
- (b. Observations in the field were not necessary for this inspection type.
- (c. None identified.
- (d. None

7 General Comments: Info Only Info Only

Info Only = No Points

Evaluator Notes:

There were no issues identified that resulted in a loss of points.

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.
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

During Pre-inspection activities, Annual Reports and Incident Reports are reviewed by inspectors. These are discussed with operators at the beginning of inspections. All operators reports are reviewed for state.

- | | | | |
|---|--|---|----|
| 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)
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)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | NA |
|---|--|---|----|

Evaluator Notes:

The ORS has scheduled to work with Operators during CY2020 on identifying problem excavator contractors and sub-contractors. NA is selected because guidance states this question is not scored for CY2019.

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

Evaluator Notes:

In conjunction with work with SC 811 noted in F.4, the ORS has scheduled to work with Operators during CY2020 on identifying root causes and insufficiencies at the operator level. The ORS plans to work with operators on mitigating strategies in problem areas. NA is selected because guidance states this question is not scored for CY2019.

- | | | | |
|---|---|---|---|
| 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?
Yes = 2 No = 0 Needs Improvement = 1 <ol style="list-style-type: none">a. What stakeholder group is causing the highest number of damages to the pipelines? Operator, contractor, locating company or public.b. Has the state verified the operator is appropriately focusing damage prevention education and training to stakeholders causing the most damages?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.d. Has the state verified the operator is appropriately focusing damage prevention education and training to address the causes of excavation damages? | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

SC 811 provides the ORS with data and trends that is captured each year by the SC811. The ORS reviews the information and meets with SC811 to discuss the results. There is work progressing since last year to clarify insufficiency causes to make sure they are in the correct category. The ORS is scheduling discussions during inspections in CY 2020 to cover (a. through (d.

5 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

There were no deficiencies found that warranted a reduction in points.

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 ORS is not an interstate agent and does not have a 60106 agreement with PHMSA.

- 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 ORS is not an interstate agent and does not have a 60106 agreement with PHMSA.

- 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 ORS is not an interstate agent and does not have a 60106 agreement with PHMSA.

- 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 ORS is not an interstate agent and does not have a 60106 agreement with PHMSA.

- 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 ORS is not an interstate agent and does not have a 60106 agreement with PHMSA.

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

Evaluator Notes:

The ORS is not an interstate agent and does not have a 60106 agreement with PHMSA.

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