



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

Tennessee Public Utility Commission

## Document Legend

### PART:

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



# 2019 Gas State Program Evaluation -- CY 2019

Gas

**State Agency:** Tennessee

**Agency Status:**

**Date of Visit:** 07/06/2020 - 07/23/2020

**Agency Representative:** Bryce Keener, Director, Gas Pipeline Safety Division  
Travis Aslinger, Deputy Director

**PHMSA Representative:** Glynn Blanton, US DOT/PHMSA State Evaluator

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

**Name/Title:** Robin L. Morrison, Chairman

**Agency:** Tennessee Public Utilities Commission

**Address:** 502 Deaderick Street, 4th Floor

**City/State/Zip:** Nashville, TN 37243

**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  
42  
15  
4  
0

### TOTALS

**94 86**

**State Rating** ..... **91.5**

## 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 progress report with Pipeline Datamart. TN PUC is a 60105 certificated state and has total jurisdictional authority on all natural gas, LNG and gathering systems. They have 142 operators and 156 units. All inspection units and operators were inspected in CY2019.
- b. A review of TN PUC Inspection History list from Program Manager (PM) confirm inspection days for each type of inspection matched attachment 2.
- c. Compared operators listed in Attachment 3 to Pipeline Datamart (PDM). Information on operator names and ID numbers are correct.
- d. Three incidents occurred in CY2019. A review of PDM confirm this information is correct with dates, causes and property damages.
- e. A review of program manager's document on number of carryovers into CY2019 do not match attachment 5. Number listed was 14 but attachment 5 shows 10. PM will correct attachment 5 to show correct number of violations in each category. Email was sent to Carrie Winslow on 7-7-2020 requesting corrections be made.
- f. No issues. Records listed in previous year match current year filing.
- g. Reviewed TQ Blackboard records found one individual as category II not listed as active/inactive. Confirmed the individual has left employment with agency and name needs to be removed from TQ records for TN. Six inspectors have completed all mandatory training for a Gas Inspector, LNG, OQ and Root Cause. Three individuals have qualified as Gas IM Inspectors.
- h. TN does not have automatic adoption authority. The civil penalty amount is \$10,000/\$500,000. TN PUC has proposed to introduce a bill to increase the civil penalty amount during the 2020 TN General Assembly.
- i. Attachment 10 was not a copy paste from CY2018.

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. The standard inspection procedures are in Tennessee Public Utility Commission (TN PSC) Gas Pipeline Safety Program Procedures dated March 2018 on page 7, Section V. The section contains pre-inspection, inspection and post inspection.
- b. TIMP & DIMP inspection procedures are located in section V, Conducting Inspection Item N.
- c. OQ inspections procedures are located in section V, Conducting Inspection item I.
- d. Damage Prevention inspection procedures are located in section V, Conducting Inspection Item M.
- e. On-Site Operator Training procedures are located in section V, Conducting Inspection Item L.
- f. Construction inspection procedures are located in section V, Conducting Inspection Item H.
- g. LNG inspection procedures are in section V, Conducting Inspection Item O.

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

- a & b. Length & history of inspections is in Gas Pipeline Safety Program Procedure Section IV. Item C & B.
- c. Type of activity is in Section V, item C General Inspection Guidelines;
- d & e. Process for identify high-risk is in Section IV, item B.
- f. A review of progress report and PDM confirm inspection units' breakdown are correct.

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

- a. Gas Pipeline Safety Program Procedures Section V item R address this issue.
- b. Gas Pipeline Safety Program Procedures Section V item T, Notice of Probable Violation Tracking address this issue.
- c. Gas Pipeline Safety Program Procedures Section V item U, Removal or Correction of a Notice of Probable Violation address this issue.

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

- a. & b. Yes, this is addressed in Gas Pipeline Safety Program Procedures Section VI item B
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- |   |                   |           |           |
|---|-------------------|-----------|-----------|
| 5 | General Comments: | Info Only | Info Only |
|---|-------------------|-----------|-----------|
- Info Only = No Points

Evaluator Notes:

- No loss of points occurred in this section of the review.
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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:

TQ Blackboard data was reviewed and indicated six inspectors have met the requirements to qualify as a Gas Inspector. Three inspectors have completed the IM, OQ, LNG and Root Cause courses. Program Manager has completed two required courses as of 06-29-2020. No outside training occurred during this evaluation period.

- |   |  |   |   |
|---|--|---|---|
| 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, PM has an understands the Guidelines for States Participating in the Pipeline Safety Program and completed two required training courses at TQ.

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

Evaluator Notes:

No loss of points occurred in this section of the review.

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 | 0 |
|   | <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:

Random generated operators to be checked for this evaluation period consisted of 19 distributions, 5 transmissions and 2 LNG operators. A review of Program Manager Inspection History spreadsheet and random operators found time intervals have not been met in accordance to written procedure in Section IV, Inspection Planning Item C. The following did not meet the five-year interval.

OQ Plan Reviews ? Athens, Bells, Collinwood, Englewood, Gallatin, Jamestown, Lafayette, Lawrenceburg, Lenoir City, Lewisburg, Loudon, Mason, Maury City, Ridgetop, Ripley, South Fulton, Bedford County UD, Claiborne UD, Elk River PUD, Gibson County UD, Lake County UD, Oak Ridge UD, Tipton County UD, Forexco, Piedmont Gas Company, Jackson HA, Jefferson City HA, Memphis HA, Metro Dev & Housing, South Pittsburg HA, Tullahoma HA, Alexian Village, Green Hills Terrace, Johnson University, UAG-Crestview, Coalfield, Domtar, General Gas, Humphreys County, Piedmont, Smelter.

DIMP/TIMP ? Chattanooga

Drug & Alcohol ? Athens, Jackson, Jamestown, Lafayette, Lenoir City, Loretto, Loudon, Maury City, Ridgetop, Smyrna, Somerville, South Fulton, Clay UD, Elk River PUD, Hawkins County UD, Jefferson-Cocke UD, Oak Ridge UD, Forexco, Piedmont, Columbia HA, Huntingdon HA, Jackson HA, Jefferson City HA, Lebanon HA, Lexington HA, Livingston HA, Martin HA, McKenzie HA, Memphis HA, Metro Dev & Housing, Newbern HA, Parsons-Decaturville HA, Portland HA, Ripley HA, South Pittsburg HA, Tullahoma HA, Union City HA, Alexian Village, Green Hills Terrace, Johnson University, Kirby Pines, UAG-Crestview, UAG-Hillview, UAG-Parkway East, The Meridian, Atlas Energy, Coalfield, Domtar, General Gas, Humphreys County, Jefferson-Cocke, Magnum Hunter, Piedmont, Renewco, Smelter

- |   |   |    |    |
|---|---|----|----|
| 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, they are using the Federal Standard Inspection form with a modified portion for each type of inspection. Reviewed compliance letters, inspection reports for the random generated operator selection list. This consisted of 25 inspection reports. A review of documentation confirms all sections of the inspection forms were completed with notes and pictures. The level of inspection person-days match the type of inspection being performed.

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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 | 0 |
|---|---|---|---|

Evaluator Notes:

No, a review of PM History spreadsheet and records found OQ plans were not reviewed on five operators: (Bells, Ripley, Athens UD, Bedford County UD, Oak Ridge UD) Several Protocol 9's were performed on other operators as part of a standard inspection but OQ plans were not verified to be up to date.

- |   |  |   |   |
|---|--|---|---|
| 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 <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> <li>c. Are the states verifying operators are including low pressure distribution systems in their threat analysis?</li> </ul> | 2 | 1 |
|---|--|---|---|

Evaluator Notes:

a. No, A review of PM Inspection History spreadsheet indicated DIMP/TIMP inspections were previously performed on Chattanooga Gas Company, Piedmont Natural Gas, Atmos Energy and Memphis Light & Gas in Calendar Year 2018. However, these operator's IMP & DIMP plans were not reviewed for updates in CY2019. A loss of one point occurred.

b & c Yes, this item is reviewed in the supplemental questions in the standard inspection form.

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

Yes, items a thru g are listed in the standard inspection Form 2.

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



- 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 10

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:

- a, b, c. Yes, reviewed compliance letters and found they were sent to company officer or board members with probable violations. Issues to resolve violations were provided in letter.
- d. Yes, PM and Deputy Director routinely review spreadsheet on compliance items every two weeks.
- e. Yes, compliance action was issued for all probable violations discovered. The operator had an option to correct the violations within a required time or request informal meeting.
- f. Yes, the civil penalty in the amount of \$2,329,650 against Atmos Energy in CY2016. Another civil penalty was \$2,017,083 against Chattannoga Gas Company in CY2017.
- g. Yes, a review of compliance letters confirms this is being completed.
- h. Yes, this item is listed in the compliance letter.
- i. Yes, an exit interview is conducted with the operator along with an affidavit signed by both parties about items found to be in non-compliance or recommendations for improvement.
- j. All letters are send to the operators within 90 days of the inspection.

- 8 (Incident Investigations) Were all incidents investigated, thoroughly documented, with conclusions and recommendations? 10 10

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, this item is listed in Gas Pipeline Safety Program Procedures Section VI.
- b. Reviewed notifications of the three incidents in CY2019. Atmos Energy, Chattanooga Gas & Sevier County UD. No

issues.

c. Yes, information is obtained from the operator and a decision to perform an onsite investigation is decided by PM with input from Deputy Director.

d-f. Reviewed Pipeline Data Mart and downloaded the three Incident reports. Agency has completed their investigations of three incident and prepared a report on each.

g. No compliance will be taken on the three incidents due to no violations found.

h. Yes, information from Brian E. Pierzina, P.E., PHMSA AID confirm information was provided.

i. Lessons learned on incidents are shared at NAPSRS meetings and conference calls.

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|----------|---|---|---|
| <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<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|---|---|---|
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Evaluator Notes:

Yes, response letter from Chairman Morrison to Zach Barrett was received on November 5, 2019 and within the sixty day time limit.

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|-----------|---|-----------|-----------|
| <b>10</b> | Did State conduct or participate in pipeline safety training session or seminar in Past 3 Years? Chapter 8.5<br>Info Only = No Points | Info Only | Info Only |
|-----------|---|-----------|-----------|
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Evaluator Notes:

This is accomplished at the TGA D&O & Safety Summit meetings.

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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, this item is in the standard inspection check list.

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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, this is accomplished by news letters to the operators and TPUC website.

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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 |
|-----------|---|---|---|
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Evaluator Notes:

A review of Pipeline Datamart found no safety related condition reports were submitted in CY2019.

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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 NAPSRS or PHMSA;<br>b. Operator IM notifications; and<br>c. PHMSA Work Management system tasks? | 1 | 1 |
|-----------|--|---|---|
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Evaluator Notes:

Email to Robert Clarillos on 06-30-2020 confirm the following. "Out of the 17 surveys in 2019, TN completed one of them. So, I guess they did participate :) I think there was some transition time in there, so that may explain a little lower participation, but they did participate."

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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 |
|-----------|--|---|---|
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Evaluator Notes:

PM was to follow-up with PHMSA in clearing two older waivers listed on their website. A check during this evaluation found the two waivers for MLG&W are still posted. Recommend PM contact John Gale at PHMSA.

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

Info Only Info Only

Info Only = No Points

Evaluator Notes:

Based on discussion with PM files have not changed in the last year.

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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:

PM is working on submitting data into the SICT. TPUC SICT inspection person-days for CY2020 is 742.

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**18** Discussion on State Program Performance Metrics found on Stakeholder Communication site.\ <http://primis.phmsa.dot.gov/comm/states.htm?nocache=4805>

Info Only = No Points

Evaluator Notes:

Yes. Reviewed and discussed performance metrics with PM. TPUC is meeting reasonable performance levels. In this regard excavation damage per 1,000 locate tickets are staying constant at 4.0. Inspection days per 1000 miles is at 8.07 up from previous year. Inspector Qualification core training is higher from previous years and number of total leaks eliminated/ repaired is 182 for CY2019.

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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:

PM will be in contact Steve Adam pertaining to giving a power point presentation on this item at the next TGA Conference.

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**20** General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

A loss of points occurred in Questions D.1, D.3 & D.4

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Total points scored for this section: 42  
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:

\* Modified Standard Inspection which consisted of a review of valves, leak survey & patrolling records. Additional records checked were abandonment of pipelines, new main & service line installations, pressure testing charts & valve maintenance \* This unit was inspected previously on August 14-16, 2019. \* Yes, Jack Sanders, Compliance Manager, Mark Freeman, Compliance Analyst, & James Robbins, Operations Supervisor; Field Inspection personnel was Kevin Ward, Evaluator, Michael Lovvorn, Evaluator & Michael Adams. \*Ted Wilkinson, TPUC Engineer was observed performing records & field inspection of Atmos Energy in Murfreesboro, TN.

- 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, Mr. Wilkinson used a modified version of PHMSA Standard Inspection form. Sections of the form was used to conduct the valve, leak survey & patrolling regulation requirements.

- 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, Mr. Wilkinson was observed asking multiple questions about the operator's records and recording their response on the inspection form \*An in-depth records review was performed including the name of the person(s) performing the work and their OQ tasks.

- 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. Wilkinson conducted the office and field inspection in a professional manner. He asked excellent questions and insured the operator's records reflected compliance with the pipeline safety 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, at the end of each day Mr. Wilkinson provided an exit interview overview to the operator and provided a summary of areas of concern or recommendations for improvement.

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, office and field inspections were conducted safely and following the COVID Guidelines and State of Tennessee requirements on maintaining a safe distance between individuals. At all times, face masks were worn in the office and out in the field. The inspector observed company personnel using a leak detection equipment to check for a gas leak at each of the twenty valve boxes before opening the lid. Observed valves being turned for operations and rechecking the valves after being turned for leaks before closing the valve lid.

7 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

No loss of points occurred in this section of the review.

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:**

Inspection staff review the annual reports prior to conducting their inspections. This is in the pre-inspection procedures. Areas of trends or errors are corrected with the operator during the inspection visit.

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

This was not done in the past. However, as of CY2020, a check list with questions about damage prevention have been developed to review with the operator during a check of their annual report. These questions will assist in determining the root causes of damages to their facilities.

- |          |   |   |    |
|----------|---|---|----|
| <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, this is reviewed prior to and during the inspection with the operator. The state has reviewed the information provided by David Applebaum on causes for damages. This information is being shared with the operator during the inspection.

- |          |   |   |   |
|----------|---|---|---|
| <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><li>d. Has the state verified the operator is appropriately focusing damage prevention education and training to address the causes of excavation damages?</li></ol> | 2 | 2 |
|----------|---|---|---|

Evaluator Notes:

- a. During the pipeline safety inspection, the inspector is discussing with the operator trends on damages that are occurring on their system. The operator is providing information about stakeholder groups who are damaging their facilities and acting to reduce damages. It appears most damages are occurring from contractors who failed to not follow safe digging practices.
- b-d. This item is addressed in the supplemental questions in all types of inspections performed.

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**5** General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

No loss of points occurred in this section of the review.

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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:

TPUC does not have a 60106 agreement with PHMSA and 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:

TPUC does not have a 60106 agreement with PHMSA and 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:

TPUC does not have a 60106 agreement with PHMSA and 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:

TPUC does not have a 60106 agreement with PHMSA and 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:

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

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

Evaluator Notes:

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

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