

PHMSA UNDERGROUND NATURAL GAS STORAGE (UNGS)

Louisiana DNR PROGRAM EVALUATION – CY2019

CONDUCTED 7/20-22/2020

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TOTAL PROGRAM EVALUATION POINTS	92 of 92 (113)

PHMSA UNGS STATE PROGRAM EVALUATION – CY2019

A – PROGRESS REPORT AND PROGRAM DOCUMENTATION REVIEW THIS SECTION ANALYZES ACCURACY AND COMPLETENESS OF ANNUAL PROGRESS REPORT		SCORE
1	Accuracy of Jurisdictional Authority and Operator/Inspection Units Data – Progress Report Attachment 1 (Yes= 1 point, No= 0 Points, NI=.5 point) Comments: Yes. Attachment 1 agrees with Attachments 3 & 8, and DNR internal records.	1
2	Review of Inspection Days for accuracy – Progress Report Attachment 2 (Yes= 1 point, No= 0 Points, NI=.5 point) Comments: Yes. 22 inspector days. Agrees with DNR internal records.	1
3	Accuracy verification of Operators and Operators Inspection Units in State – Progress Report Attachment 3 (Yes= 1 point, No= 0 Points, NI=.5 point) Comments: Yes. Agrees with DNR internal records.	1
4	Accuracy verification of Compliance Activities – Progress Report Attachment 5 (Yes= 1 point, No= 0 Points, NI=.5 point) Comments: Yes. Agrees with DNR internal records.	1
5	Were UNGS program files well-organized and accessible? - Progress Report Attachment 6 (Yes= 2 points, No= 0 Points, NI=1 point) Comments: Yes. Agrees with DNR records. All records are electronic.	2
6	Was employee listing and completed training accurate and complete? – Progress Report Attachment 7 (Yes= 1 point, No= 0 Points, NI=.5 point) Comments: Yes. Agrees with DNR records.	1
7	Verification of Part 192 and 199 Rules and Amendments – Progress Report Attachment 8 (Yes= 1 point, No= 0 Points) Comments: Yes. Agrees with DNR records.	1
8	List of Planned Performance - Did State describe accomplishments on Progress Report in detail – Progress Report Attachment 10 (Yes= 1 point, No= 0 Points, NI=.5 point) Comments: Yes. The report reflects the activities of the UNGS Program.	1
9	General Comments: Richard Ieyoub, Commissioner of Conservation, LA DNR, PO BOX 94275, Baton Rouge, LA 70804-9275; Steven Giambrone, Prog Mngr; Patrick Gaume, Evaluator, UNGS PROGRESS REPORT REVIEW score is 50 of 50: No incidents were reported in UNGS for 2019. Part A scored 9 of 9 points.	9

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B – PROGRAM INSPECTION PROCEDURES Does State Inspection Plan include procedures that address the following elements? (See Guidelines Section 5.1)		
1	Does State have written inspection procedures? (Yes= 2 points, No= 0 Points, NI=1 point) Comments: Yes. In electronic form that can be printed out at need.	2
2	Standard Inspections Do Standard Inspection procedures give guidance to State inspectors that insure consistency for inspections conducted by the State? The following elements should be addressed at a minimum. <ul style="list-style-type: none"> • Pre-Inspection Activities • Inspection Activities • Post Inspection Activities (Yes= 2 points, No= 0 Points, NI=1 point) Comments: Yes. See Part 4 ‘Inspection Prioritization and Procedures’, Section 2 with emphasis on Section 2.9. Also section 3, 4, & 5. See Part 5 ‘Inspection Guidance’ for Pre, Conducting, and Post inspection activities.	2
3	Specialized Inspections Do Specialized Inspection procedures give guidance to State inspectors that insure consistency for inspections conducted by the State? The following elements should be addressed at a minimum. <ul style="list-style-type: none"> • Pre-Inspection Activities • Inspection Activities • Post Inspection Activities (Yes= 2 points, No= 0 Points, NI=1 point) Comments: Yes. See Part 4 ‘Inspection Prioritization and Procedures’, Section 2 with emphasis on Section 2.9. Also section 3, 4, & 5. See Part 5 ‘Inspection Guidance’ for Pre, Conducting, and Post inspection activities.	2

4	<p>Design, Testing, and Construction Inspections</p> <p>Do Design, Testing, and Construction Inspection procedures give guidance to State inspectors that insure consistency for Inspections conducted by the State? The following elements should be addressed at a minimum.</p> <ul style="list-style-type: none"> • Pre-Inspection Activities • Inspection Activities • Post Inspection Activities <p>(Yes= 1 point, No= 0 Points, NI=.5 point)</p> <p>Comments: Yes. See Part 4 'Inspection Prioritization and Procedures', Section 2 with emphasis on Section 2.9. Also section 3, 4, & 5. See Part 5 'Inspection Guidance' for Pre, Conducting, and Post inspection activities.</p>	1
5	<p>Drug and Alcohol Inspections</p> <p>Do Drug and Alcohol Inspection procedures give guidance to State inspectors that insure consistency for Inspections conducted by the State? The following elements should be addressed at a minimum.</p> <ul style="list-style-type: none"> • Pre-Inspection Activities • Inspection Activities • Post Inspection Activities <p>(Yes= 1 point, No= 0 Points, NI=.5 point)</p> <p>Comments: Yes. See Part 4 'Inspection Prioritization and Procedures', Section 2 with emphasis on Section 2.9. Also section 3, 4, & 5. See Part 5 'Inspection Guidance' for Pre, Conducting, and Post inspection activities.</p>	1
6	<p>Does inspection plan address inspection priorities of each inspection unit, based on the following elements?</p> <ul style="list-style-type: none"> • Length of time since last inspection (Within five-year interval per inspection unit) • Operating history of operator/unit and/or location (includes leakage, incident and compliance activities) • Type of activity being undertaken by operators in inspection units (i.e. construction) • Locations of operator's inspection units being inspected - (HCA's, Geographic area, Population Density, etc.) • Process to identify high-risk inspection units considering integrity threats • Are inspection units broken down appropriately? <p>(Yes= 6 points, No= 0 Points, NI=1-5 points)</p> <p>Comments: Yes. See Part 4, Section 3.4.</p>	6
7	General Comments: Part B scored 14 of 14 points.	14

C – PROGRAM PERFORMANCE		
1	<p>Was ratio of Total Inspection Person-Days to Total Person-Days acceptable? (Chapter 4.2)</p> <p>A = Total Inspection Person Days (Attachment 2) B = Total Inspection Person Days Charged to the program (220 x Number of Inspection person years from Attachment 7) Ratio = A/B If Ratio >= .38 then score = 5 points. If Ratio < .38 then score = 0 points. (Yes= 5 points, No= 0 Points) Comments: Yes. 22 inspection days, .16 inspector years, 22/ (.16*220)=.625>.38 okay.</p>	5
2	<p>Has each Inspector and Program Manager fulfilled the TQ Training Requirements? (See Guidelines Appendix C for requirements and Chapter 4.3.1) (Yes= 5 points, No= 0 Points, NI=1-4) Comments: Yes, all personnel are in the 3-year initial time for training. All personnel have taken the courses or are scheduled.</p>	5
3	<p>Does State use the PHMSA Inspection Assistant (IA) program to document inspections? (Yes= 2 points, No= 0 Points, NI=1 point) Comments: Okay, not required for 2019. LA acknowledges the IA must be used. All 2020 UNGS will use IA.</p>	2
4	<p>Did records and discussions with Program Manager indicate adequate knowledge of PHMSA program and regulations? Chapter 4.1,8.1 (Yes= 2 points, No= 0 Points, NI=1 point) Comments: Yes. Steven has a professional level knowledge of PHMSA program and regulations.</p>	2
5	<p>Did State respond to PHMSA's Evaluation Letter within 60 days and correct or address any noted deficiencies? Chapter 8.1 (Yes= 2 points, No= 0 Points, NI=1 point) Comments: NA, Is the first year of the UNGS program.</p>	NA
6	<p>Did State inspect all types of operators and inspection units in accordance with time intervals established in their written procedures? Chapter 5.1 (Yes= 5 points, No= 0 Points, NI=1-4 points) Comments: Yes. Initial inspections have been completed per LA UNGS procedures and are now generally on a 5-year cycle for comprehensive, with yearly specialized inspections planned.</p>	5
7	<p>Did State Inspection form(s) cover all applicable code requirements addressed on Federal Inspection form(s)? Chapter 5.1 (Yes= 2 points, No= 0 Points, NI=1 point) Comments: Yes. The three inspections of 2019 were reviewed and they were the same as found in IA.</p>	2
8	<p>Did State complete all applicable portions of inspection forms? (Yes= 2 points, No= 0 Points, NI=1 point) Comments: Yes. The three inspections of 2019 were reviewed and they were complete.</p>	2

9	<p>Has the State reviewed Operator Annual reports, along with Incident/Accident reports, for accuracy and analyzed data for trends and operator issues? (Yes= 2 points, No= 0 Points, NI=1 point)</p> <p>Comments: Yes. LA is reviewing the reports and has a process for analyzing trends.</p>	2
10	<p>Is the State verifying operators are conducting drug and alcohol tests required by regulations? This should include verifying positive tests are responded to in accordance with program. 49 CFR 199 (Yes= 2 points, No= 0 Points, NI= 1 point)</p> <p>Comments: Yes. D&A is being handled by the Gas Program with UNGS participation.</p>	2
11	<p>Does the State have a mechanism for communicating with stakeholders regarding the inspection and enforcement program? (This should include making enforcement cases available to public). (Yes= 1 points, No= 0 Points, NI=.5 point)</p> <p>Comments: Yes. LA DNR has a user friendly website, and generally sponsors an annual Pipeline Safety Seminar. LA DNR also responds to FOIA requests.</p>	1
12	<p>Did State execute appropriate follow-up actions to Safety Related Condition (SRC) Reports? Chapter 6.3 (Yes= 1 points, No= 0 Points, NI=.5 point)</p> <p>Comments: NA. no UNGS SRC are on record. Procedures are in place.</p>	NA
13	<p>Did the State participate in/respond to surveys or information requests from PHMSA? (Yes= 1 points, No= 0 Points, NI=.5 point)</p> <p>Comments: Yes. LA DNR actively responds to PHMSA requests.</p>	1
14	<p>Did the State forward any potential waivers/permits to PHMSA for review prior to issuing them to operators? (Yes= 1 point, No= 0 Points, NI=.5 point)</p> <p>Comments: NA. No waivers have been received.</p>	NA
15	<p>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. (Yes= 1 point, No= 0 Points, NI=.5 point)</p> <p>Comments: NA. No waivers have been received.</p>	NA
16	<p>General Comments: Part C scored 29 of 29 points. 4 questions were NA.</p>	34

D – COMPLIANCE ACTIVITIES		
1	<p>Does the State have written procedures to identify steps to be taken from the discovery to resolution of a probable violation? Chapter 5.1</p> <ul style="list-style-type: none"> • Procedures to notify an operator (company officer) when a noncompliance is identified • Procedures to routinely review progress of compliance actions to prevent delays or breakdowns • Procedures regarding closing outstanding probable violations <p>(Yes= 4 points, No= 0 Points, NI=1-3 points) Comments: Yes. See SOP Part 5 Post Inspection Process; Part 4, Section 2.6; LA Admin Code Part XI, Chapter 5, paragraph 501-511.</p>	4
2	<p>Did the State follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? Chapter 5.1</p> <ul style="list-style-type: none"> • Were compliance actions sent to company officer or manager/board member if municipal/government system? • Document probable violations • Resolve probable violations • Routinely review progress of probable violations • ; and <p>(Yes= 4 points, No= 0 Points, NI=1-3 points) Comments: Yes. Per SOP Part 5 & Part 4. Concerns and NOPV were found, no penalties.</p>	4
3	<p>Did State within 30 days of the end of an inspection conduct a post-inspection briefing with the owner or operator of the UNGS facility inspected outlining any concerns identified during the inspection?</p> <p>(Yes= 2 points, No= 0 Points, NI=1 point) Comments: Yes. Per SOP Part 5, exit interviews are given on the last day of the inspection.</p>	2
4	<p>Did State within 90 days, to the extent practicable, provide the owner or operator with written preliminary findings of the inspection?</p> <p>(Yes= 2 points, No= 0 Points, NI=1 point) Comments: Yes. Per SOP Part 5, the operator can access the inspection as soon as it is finalized.</p>	2
5	<p>Did the State issue compliance actions for all probable violations discovered?</p> <p>(Yes= 2 points, No= 0 Points, NI=1 point) Comments: Yes.</p>	2
6	<p>Did compliance actions give reasonable due process to all parties? Including "show cause" hearing if necessary.</p> <p>(Yes= 2 points, No= 0 Points) Comments: Yes, Per Part 5 & Part 4 and Title Part XI.</p>	2

7	<p>Is the Program Manager familiar with State process for imposing civil penalties? (describe any actions taken) (Yes= 2 points, No= 0 Points, NI=1 point)</p> <p>Comments: Yes. The Program Manager is very familiar with the State process for imposing civil penalties.</p>	2
8	<p>Were civil penalties considered for repeat violations, violations which can't be corrected by other means, or violations resulting in incidents? (Yes= 2 points, No= 0 Points, NI=1 point)</p> <p>Comments: Yes. But is first year of the program and there have been no repeat violations.</p>	2
9	<p>Can the State demonstrate it is using their enforcement fining authority for safety violations? (Yes= 1 point, No= 0 Points, NI= .5 point)</p> <p>Comments: Yes. LA DNR has a long history of issuing fines.</p>	1
10	General Comments: Part D scored 21 of 21 points.	21

E – INCIDENT INVESTIGATIONS		
1	<p>Does the State have written procedures to address State actions in the event of an incident? (Yes= 2 points, No= 0 Points, NI=1 point)</p> <p>Comments: Yes. See SOP Part 4 and Part 7.</p>	2
2	<p>Does State have adequate mechanism to receive and respond to operator reports of incidents, including after-hours reports? (Yes= 2 points, No= 0 Points, NI=1 point)</p> <p>Comments: Yes. See SOP Part 3. Tel no. 225.342.5505. 24 hr coverage.</p>	2
3	<p>Did the State keep adequate records of Incident notifications received? (Yes= 2 points, No= 0 Points, NI=1 point)</p> <p>Comments: NA. Procedures are in place. No incidents in UNGS to date.</p>	NA
4	<p>If onsite investigation was not made, did State obtain sufficient information from the operator and/or by other means to determine the facts to support the decision to not go on-site? Chapter 6 (Yes= 1 point, No= 0 Points, NI= .5 point)</p> <p>Comments: NA. Procedures are in place. No incidents in UNGS to date</p>	NA
5	<p>Were all incidents investigated, thoroughly documented, and with conclusions and recommendations?</p> <ul style="list-style-type: none"> • Observations and document review • Contributing Factors • Recommendations to prevent recurrences where appropriate <p>(Yes= 3 points, No= 0 Points, NI=1-2 points)</p> <p>Comments: NA. Procedures are in place. No incidents in UNGS to date</p>	NA
6	<p>Did the State initiate compliance action for violations found during any incident investigation? (Yes= 1 point, No= 0 Points)</p> <p>Comments: NA. Procedures are in place. No incidents in UNGS to date</p>	NA
7	<p>Did the State assist the 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? (validate report data from operators concerning incidents and investigate discrepancies) Chapter 6 (Yes= 1 point, No= 0 Points, NI= .5 point)</p> <p>Comments: NA. Procedures are in place. No requests have been made to the UNGS Program.</p>	NA
8	<p>Does State share lessons learned from incidents with PHMSA? (Yes= 1 point, No= 0 Points)</p> <p>Comments: Yes. During regional NAPSIR Meeting.</p>	1

9	General Comments: Part E scored 5 of 5 points. 5 questions were NA.	13
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F – DAMAGE PREVENTION		
1	<p>Did the State inspector verify UNGS operators are following their written procedures pertaining to notification of excavation, marking, positive response and the availability and use of the one call system? (API 1171 Section 11.10 Public Awareness and Damage Prevention) (Yes= 2 points, No= 0 Points, NI=1 Point)</p> <p>Comments: NA. All cavern facilities. Site security and access control in place at all Units. Damage Prevention not addressed for Caverns.</p>	NA
2	<p>Did the State encourage and promote practices for reducing damages to all underground facilities to its regulated companies? (Common Ground Alliance Best Practices, support excavation damage prevention legislation, etc.) (Yes= 2 points, No= 0 Points, NI=1 Point)</p> <p>Comments: Yes. LA DNR promotes Site Security & Damage Prevention; supports the annual Damage Prevention Summit.</p>	2
3	<p>General Comments: Part F scored 2 of 2 points. Question 1 was NA.</p>	4

G – FIELD INSPECTIONS		
1	Operator, Inspector, Location, Date and PHMSA Representative Comments: PONTCHARTRAIN UNGS 2020 (opid 15790 Pontchartrain Natural Gas System) Jeremy Jeffery, LA DNR Petroleum Scientist, Pontchartrain office in Baton Rouge & via Skype. 7/22/2020, Patrick Gaume, PHMSA Evaluator.	
2	Was the operator or operator's representative notified and/or given the opportunity to be present during inspection? (Yes= 1 point, No= 0 Points) Comments: Yes. Several Pontchartrain personnel were present.	1
3	Did the inspector use an appropriate inspection form/checklist and was the form/checklist used as a guide for the inspection? (Yes= 2 points, No= 0 Points, NI=1 Point) Comments: Yes. The inspection was done in IA.	2
4	Did the inspector thoroughly document results of the inspection? (Yes= 2 points, No= 0 Points, NI=1 Point) Comments: Yes. This was a special/follow-up and all targeted questions were addressed.	2
5	Did the inspector check to see if the operator had necessary equipment during inspection to conduct tasks viewed? (Yes= 1 point, No= 0 Points) Comments: Yes. All necessary records and procedures were available.	1
6	Did the inspector adequately review the following during the field portion of the State Program Evaluation? <ul style="list-style-type: none"> • Procedures • Records • Field Activities/Facilities • Other (please comment) (Yes= 2 points, No= 0 Points, NI=1 Point) Comments: Yes. The portion observed was a follow-up of Procedures and Records following a comprehensive inspection done in 2019.	2
7	Did the inspector have adequate knowledge of the UNGS safety program and regulations? (Evaluator will document reasons if unacceptable) (Yes= 2 points, No= 0 Points, NI=1 Point) Comments: Yes. Jeremy demonstrated knowledge and skills to perform this inspection.	2
8	Did the inspector conduct an exit interview? (If inspection is not totally complete the interview should be based on areas covered during time of field evaluation) (Yes= 1 point, No= 0 Points) Comments: Yes. Jeremy reviewed and summarized the inspection and no violations were found.	1

[illegible]

H - 60106 AGREEMENT STATE (if applicable)		
1	<p>Did the State use the current federal inspection form(s)? (Yes= 1 point, No= 0 Points, NI=.5 point)</p> <p>Comments: NA. not a 60106 Program.</p>	NA
2	<p>Are results documented demonstrating inspection units were reviewed in accordance with State inspection plan? (Yes= 1 point, No= 0 Points, NI=.5 point)</p> <p>Comments: NA. not a 60106 Program.</p>	NA
3	<p>Were any probable violations identified by State referred to PHMSA for compliance action? (NOTE: PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation.) (Yes= 1 point, No= 0 Points, NI=.5 point)</p> <p>Comments: NA. not a 60106 Program.</p>	NA
4	<p>Did the State immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? (Yes= 1 point, No= 0 Points, NI=.5 point)</p> <p>Comments: NA. not a 60106 Program.</p>	NA
5	<p>Did the State give written notice to PHMSA within 60 days of all probable violations found? (Yes= 1 point, No= 0 Points, NI=.5 point)</p> <p>Comments: NA. not a 60106 Program.</p>	NA
6	<p>Did the State initially submit adequate documentation to support compliance action by PHMSA on probable violations? (Yes= 1 point, No= 0 Points, NI=.5 point)</p> <p>Comments:</p>	NA
7	General Comments: NA. not a 60106 Program. 0 OF 0 POINTS.	6