



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue SE
Washington DC 20590

2020 Gas State Program Evaluation

for

ARKANSAS PUBLIC SERVICE 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



2020 Gas State Program Evaluation -- CY 2020

Gas

State Agency: Arkansas

Agency Status:

Date of Visit: 05/17/2021 - 05/28/2021

Agency Representative: Robert Henry, Chief, Pipeline Safety
Jerome Huckaby, Pipeline Safety Coordinator
Larry Eslick, Pipeline Safety Coordinator

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

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

Name/Title: Ted J. Thomas, Chairman
Agency: Arkansas Public Service Commission
Address: 1000 Center Street
City/State/Zip: Little Rock, Arkansas 72201

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 2020 (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
10
0

0
15
10
50
15
10
0

TOTALS

100 100

State Rating **100.0**

PART A - Progress Report and Program Documentation Review

Points(MAX) Score

- 1 Were the following Progress Report Items accurate? (*items not scored on progress report) Info Only Info Only
Info Only = No Points
- Stats On Operators Data - Progress Report Attachment 1
 - State Inspection Activity Data - Progress Report Attachment 2
 - List of Operators Data - Progress Report Attachment 3*
 - Incidents/Accidents Data - Progress Report Attachment 4*
 - Stats of Compliance Actions Data - Progress Report Attachment 5*
 - List of Records Kept Data - Progress Report Attachment 6 *
 - Staff and TQ Training Data - Progress Report Attachment 7
 - Compliance with Federal Regulations Data - Progress Report Attachment 8
 - Performance and Damage Prevention Question Data - Progress Report Attachment 10*

Evaluator Notes:

- Compared jurisdictional authority, operator types, inspection units and operator & inspection units inspected to previous year. The number of operators/inspection units inspected were down to 53% from previous year high of 84%.
- Total number of inspection person days was down to 608 compared to previous year of 744. However, the number of construction days 142 exceeded the 20% required level of 102.
- Compared Attachment 1 & 3 and determined the inspections unit numbers match. However, total number of operators changed from 153 to 151. This was due to change in master meter operators.
- A review of Attachment 4 indicated four reportable incidents in CY2020. One incident was listed but not in PDM because the reportable requirement was not met. Another incident reported by CenterPoint was rescinded due to a determination by Fire Department cause was arson. The other two reportable incidents were verified in PDM. Not issues.
- A review of attachment 5 found the number at end of CY (including carry over) is incorrect. The number should be 12 not 11 as shown on attachment. This item was corrected by Program Manager sending a request to Carrie Winslow on May 26, 2021. No issues,
- A review of attachment 6, records list, found information was consistent with previous year review. No issues
- Verification of TQ records indicate six of the eight inspectors are Category II, one inspector is Category II and the other Category III. No change from previous year. All inspectors are Gas & IM qualified.
- Reviewed and found one amendment that was not adopted. The amendment is 83 F58694. This amendment will need to be adopted by CY2022. Current civil penalty amount is \$200/\$2 M.
- Attachment 10 was complete and no issues were found.

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:

- a. Reviewed the updated, 02-14-2021, Arkansas Pipeline Safety Operation and Inspection Plan. Standard inspections pertaining to pre-inspection, inspection & post activities were listed on pages 2-8.
- b. These inspections are listed under item VII, DIMP Inspection Procedures page 7.
- c. OQ inspections are listed under item V, page 5.
- d. Damage Prevention inspections are included in the standard inspection and described on page 5.
- e. On-Site Operator Training is item XII and listed on page 9.
- f. Construction inspection procedures are under section XIII and listed on page 8.
- g. No LNG facilities in the State. However, LNG inspection is listed on page 2. No issue and discussed with Program Manager of removing this working in the procedures.

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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:

Yes, a review of Arkansas Pipeline Safety Operation and Inspection Plan, page 2, address the inspection priorities for each type of operator. The selection process for each type of inspection to be scheduled is determined by one of the following criteria:

1. Length of time since last inspection 2. Significant change in mode of operation, such as management/personnel. 3. Reported high leakage and lost and unaccounted-for gas. 4. Construction activity, increased or significant. 5. History of the operator. 6. Risk/Threat base data analysis Additionally, AR PSC has established the following inspection interval schedule; Each master meter and pipeline operator unit shall be inspected at 0-3 calendar year intervals, not to exceed 5 years. Damage Prevention, with emphasis on API 1162, procedures shall be inspected during all standardized gas pipeline inspections. Emphasis shall be placed on the records of line locate receipts and operator's response to line locate notifications made by an excavator to the Arkansas One Call Center. Operators Public Awareness Program is also a part of the standard gas inspection and shall include operators' participation in Arkansas One Call. (f) Conducted a review on inspection units and found broken down correctly.

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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 identified | | |

- b. Procedures to routinely review progress of compliance actions to prevent delays or breakdowns
- c. Procedures regarding closing outstanding probable violations

Evaluator Notes:

- a. Yes, Arkansas Pipeline Safety Operation and Inspection Plan, Section Procedures, page 4, states, "If there were any non-compliance issues found during the inspection, the operator shall be sent a Notice of Probable Violation (NOPV) report detailing each probable violation discovered during the inspection. An operator NOPV report shall be sent to a company officer. A master meter NOPV report shall be sent to the property owner or property management officer. Each probable violation must be clearly documented referencing a specific paragraph in the Code."
- b. Yes, Arkansas Pipeline Safety Operation & Inspection Plan, Section Procedures, page 4, states, " A suspense file has been established to monitor the compliance of all inspection reports. Compliance notification letters are sent to master metered and gas operators notifying them of the required actions and establishing a suspense date, 60 days from the mailing date of the NOPV report. The operator is responsible for supplying a written response to the APSO by the suspense date, explaining its corrective action for each individual probable violation listed in the inspection report. "
- c. Yes, this item is located in Arkansas Pipeline Safety Operation & Inspection Plan, Section Procedures, page 4, which states, "Once an operator has sent in their written response and it has been approved by the Chief, Pipeline Safety and the lead inspector, the inspection report is then closed-out. The operator's written response is attached to the inspection report; the Chief, Pipeline Safety and lead inspector sign the report; and the report is filed in the PSO's closed inspection report filing cabinet. All closed inspection reports shall be scanned into the Pipeline Program database."

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. Yes, this item is addressed in Section IX Procedures, page 8, which states " Natural gas related incidents jurisdictional to the Commission per 191.5 and directed by the Chief, Pipeline Safety shall be investigated. Prior to performing on-site investigations, it will be determined from the information provided by the operator, local fire/police departments, or the Arkansas State Police Fire Marshall, if an on-site investigation is warranted. If warranted, an on-site investigation shall be conducted to determine if the operator was in violation of the Code and to determine the most probable cause of the incident. The investigation shall be documented in an Incident Report. Procedures did not include after hour reporting of incidents to AR PSC Director and inspectors.
- b. This item is listed on page 8 of procedures. Natural gas related incidents jurisdictional to the Commission per 191.5 and directed by the Chief, Pipeline Safety shall be investigated. Prior to performing on-site investigations, it will be determine from the information provided by the operator, local fire/police departments, or the Arkansas State Police Fire Marshall, if an on-site investigation is warranted. If warranted, an on-site investigation shall be conducted to determine if the operator was in violation of the Code and to determine the most probable cause of the incident. The investigation shall be documented in an Incident Report.

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

Evaluator Notes:

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

Total points scored for this section: 15
Total possible points for this section: 15

PART C - State Qualifications

Points(MAX) Score

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

A review of PHMSA TQ crystal report found all eight inspectors have obtained minimum qualifications for gas inspector. All inspectors have completed the OQ/DIMP/TIMP training to be lead inspector. All inspectors including the program manager have completed the LNG course. Seven of the eight inspectors have completed the root cause course.

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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 |
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Evaluator Notes:

Yes, Mr. Bobby Henry was hired as an inspector in 1983 and became the program manager in 2010. He has extensive working knowledge of the pipeline safety program regulations, served on NAPSAR Task Teams and a member of the NARUC Staff subcommittee on pipeline safety. Bobby has completed all required training courses within three years of employment. He has excellent managerial skills.

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| 3 | General Comments:
Info Only = No Points | Info Only | Info Only |
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Evaluator Notes:

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

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 | 5 | 5 |
| | <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) | | |

Evaluator Notes:

Random generated operators to be checked for this evaluation period consisted of 2 distribution, 5 transmission, 2 gas gathering and 36 master meter operators. A review of data provided by Program Manager on inspections performed on each operator was checked via AR PSC web site & other means. The following inspection records were reviewed, City of Augusta Light Water & Gas (Standard, PAPEI, D&A, OQ, DIMP/IMP), Harrisburg Water & Gas (Standard, PAPEI, D&A, OQ, DIMP/IMP), El Dorado Chemical (Standard, PAPEI, D&A, OQ, DIMP/IMP), Enable Midstream Partners, LP (Standard, PAPEI, D&A, OQ, DIMP/IMP), Enmark Energy, Inc. (PAPEI, D&A, OQ, DIMP/IMP), Calpine Pipeline (Standard), Evergreen Packaging (Standard), PECO Foods _ Feed Mill Corning (Standard), PECO Foods_ Processing Plant Pocahon (Standard), City of Little Rock (Standard, PAPEI, D&A, DIMP/IMP), Black Hills Energy (Standard, PAPEI, D&A, OQ, DIMP/IMP, CRM), Fayetteville District (Standard, Construction), NE Region District (Standard), North Central Region (Standard), River Valley District (Standard), Rogers District (Standard, Construction), Great lakes Chemical Corp (Standard, PAPEI, D&A, OQ, DIMP/IMP, CRM), Meadow Park Apartments (Standard, PAPEI, OQ, DIMP/IMP), Parkin Housing Authority (Standard, PAPEI, OQ, DIMP/IMP), Arkoma Trailer Park (Standard, PAPEI, OQ, DIMP/IMP), Mountain Station 3 Apartments (Standard, PAPEI, OQ, DIMP/IMP), Wilbur's Mobile Home Park(Standard, PAPEI, OQ, DIMP/IMP), Pilgrim Rest Apartments (Standard, PAPEI, OQ, DIMP/IMP), Maple Manor Apartments (Standard, PAPEI, OQ, DIMP/IMP), Cantrell Valley Apartments (Standard, PAPEI, OQ, DIMP/IMP), Haygood-Neal Garden Apartments (Standard, PAPEI, OQ, DIMP/IMP), Spanish Jon's (Standard, PAPEI, OQ, DIMP/IMP), Camden Housing Authority (Standard, PAPEI, OQ, DIMP/IMP), Indian Hills Apartments (Standard, PAPEI, OQ, DIMP/IMP), Shadow brook Apartments (Standard, PAPEI, OQ, DIMP/IMP), Mabelvale Place Apartments (Standard, PAPEI, OQ, DIMP/IMP), CIC Arms Apartments (Standard, PAPEI, OQ, DIMP/IMP), Carroll House Apartments (Eureka Springs) (Standard, PAPEI, OQ, DIMP/IMP), Sunrise II MHP (Standard, PAPEI, OQ, DIMP/IMP), Summerhill 3 Apartments (Standard, PAPEI, OQ, DIMP/IMP), Mountain Lodge Apartments (Standard, PAPEI, OQ, DIMP/IMP), Mayes St. Mobile Home Park (Standard, PAPEI, OQ, DIMP/IMP), Westwood Village Apartments (Standard, PAPEI, OQ, DIMP/IMP), Colonial Arms Apartments (Standard, PAPEI, OQ, DIMP/IMP), Westpark Meadows Apartment (Standard, PAPEI, OQ, DIMP/IMP), Country Oaks Village Mobile Home Park (Standard, PAPEI, OQ, DIMP/IMP), Piney Woods Apartments (Standard, PAPEI, OQ, DIMP/IMP), Sunset Village MHP (Standard, PAPEI, OQ, DIMP/IMP), Majestic View Apartments (Standard, PAPEI, OQ, DIMP/IMP), Willow Bend Apartments (Standard, PAPEI, OQ, DIMP/IMP), College Park Apartments (Standard, PAPEI, OQ, DIMP/IMP), Woodridge Estates MHP (Standard, PAPEI, OQ, DIMP/IMP), Con-Ivie Gardens (Standard, PAPEI, OQ, DIMP/IMP), Parkway Crossing Apartments (Standard, PAPEI, OQ, DIMP/IMP), Manila Housing Authority (Standard, PAPEI, OQ, DIMP/IMP), Mountain Station 2 Apartments (Standard, PAPEI, OQ, DIMP/IMP), Greenwood Manor Apartments (Standard, PAPEI, OQ, DIMP/IMP) & Harmony Homes (Standard, PAPEI, OQ, DIMP/IMP). Construction inspections met the required 20% requirement of 102. In this regard, 142 construction inspections were performed.

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| 2 | Did inspection form(s) cover all applicable code requirements addressed on Federal Inspection form(s)? Did State complete all applicable portions of inspection forms? Chapter 5.1. Do inspection records indicate that adequate reviews of procedures, records and field activities, including notes and the appropriate level of inspection person-days for each inspection, were performed?
Yes = 10 No = 0 Needs Improvement = 1-9 | 10 | 10 |
| | <ul style="list-style-type: none">a. Standard (General Code Compliance)b. Public Awareness Effectiveness Reviewsc. Drug and Alcohold. Control Room Management | | |

- e. Part 193 LNG Inspections
- f. Construction
- g. OQ (see Question 3 for additional requirements)
- h. IMP/DIMP (see Question 4 for additional requirements)

Evaluator Notes:

Yes, PHMSA inspection forms are used for all types of inspections. A review of several of the random selected operators inspection reports confirm all sections of the reports were completed correctly. Answers to questions that were listed as NA contained an explanation of the reason for the classification. No areas of concern.

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| 3 | Is state verifying monitoring (Protocol 9/Form15) of operators OQ programs? 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:

Yes, a review of inspection reports for the following operators confirm the agency inspectors are reviewing the companies OQ program including the plan. The following operator OQ Plans were reviewed: City of Augusta Light Water & Gas , Harrisburg Water & Gas, El Dorado Chemical, Enable Midstream Partners, LP , Enmark Energy, Inc., & Black Hills Energy. AR PSC has a commission rule requiring all operators who make changes to their O&M Plan must file the document with them within 20 days after the change was made. This is a AR PSC Rule 192.17.

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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 <ul style="list-style-type: none"> a. Are the state's largest operator(s) plans being reviewed annually to ensure they are completing the full cycle of the DIMP/IMP process? 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? | 2 | 2 |
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Evaluator Notes:

- a. Yes, a review of spreadsheet found AR PSC conducted a DIMP/IMP inspection on Black Hills Energy.
- b. This requirement is covered in the Addendum Question number 20 in the Standard Inspection Form.
- c. This requirement is covered in the Addendum Questions number 8 & 10 in the Standard Inspection Form.

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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
Yes = 2 No = 0 Needs Improvement = 1 <ul style="list-style-type: none"> 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; | 2 | 2 |
|---|--|---|---|

- 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:

Items a through e are covered in AR PSC Addendum Questions 1-23 located at the end of the Standard Inspection Form. (a is question 3; b is question 4; c is question 5; d is question 2; e is question 21; f is question 22; g is question 23)

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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:

Yes, verification of advisory bulletin notices and action taken by operator are checked with addendum questions 22 & 23 in the Standard Inspection form 2.

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| 7 | (Compliance Activities) Did the state follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? Chapter 5.1 | 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. Accessed AR PSC web site pertaining to CY2020 inspection reports. Forty-five operators inspection reports were selected and reviewed. Information in the data base confirm compliance letters were sent to company officers or manager. All probable violations were well documented in the reports and letters. Violations were corrected by operator with a follow-up or response letter to Program Manager. All closed letters pertaining to violations being corrected was sent by the Program Manager after action was taken to correct the violation(s). No issues with the review.
- b. Yes, all violations were documented in the inspection report and letter to the operator in a review of AR PSC website on inspections performed in CY2020.
- c. Yes this is part of the procedures in AR PSC manual. No issues.
- d. Yes, Program manager routinely review all violations within a sixty day schedule.
- e. Yes, when deemed necessary.
- f. Yes, the civil penalty assessed against Razorback Mobile Home Park in CY2015. The civil penalty amount was \$5,000.00
- g. Yes, program manager reviews inspection report after the reports have been checked via peer review. The report is approved and mailed to the operator.
- h. Yes, compliance action is provided in the body of letter and if necessary a "show cause" order can be issued.
- i. An exit interview is conducted with the operator on the last day of the inspection or another date arranged with the operator's management personnel.
- j. All final inspection reports are mailed 60 days after the inspection date. This procedure was reviewed in AR PSC website address. No issues.

8	(Incident Investigations) Were all federally reportable incidents investigated, thoroughly documented, with conclusions and recommendations?	10	10
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Yes = 10 No = 0 Needs Improvement = 1-9

- a. Does state have adequate mechanism to receive and respond to operator reports of incidents, including after-hours reports?
- b. Did state keep adequate records of Incident/Accident notifications received?
- c. If onsite investigation was not made, did the state obtain sufficient information from the operator and/or by means to determine the facts to support the decision not to go on site?
- d. Were onsite observations documented?
- e. Were contributing factors documented?
- f. Were recommendations to prevent recurrences, where appropriate, documented?
- g. Did state initiate compliance action for any violations found during any incident/accident investigation?
- h. Did state assist Region Office or Accident Investigation Division (AID) by taking appropriate follow-up actions related to the operator incident reports to ensure accuracy and final report has been received by PHMSA?
- i. Does state share any lessons learned from incidents/accidents?

Evaluator Notes:

- a. Yes, Arkansas Pipeline Safety Operation and Inspection Plan section IX, Incident Investigation, address the mechanism to receive and respond to incidents.
- b. Yes, a review of progress report and records confirms all notifications were received and filed.
- c. Yes, information provided by operator to Program Manager/Inspector is used to determine if an onsite investigation is necessary and recorded in the agency's files.
- d. The progress report listed four incidents. The Centerpoint Energy Resources accident in Pine Bluff, AR was rescinded due a determination the explosion was arson. The other incidents CenterPoint Energy in Maumelle, Black Hills Energy in Victoria and Arkansas Oklahoma Gas in Fort Smith were investigated.
- e, f, & g Investigation is continuing on the Maumelle, AR incident and potential compliance action may be taken.
- h. A response from PHMSA AID indicated "Yes ? AR-PSC provided assistance."
- i. This is accomplished during quarterly Teams meetings with other states.

9	Did state respond to Chairman's letter on previous evaluation within 60 days and correct or address any noted deficiencies? (If necessary) Chapter 8.1	1	1
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Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Due to a perfect score in the CY2019 state program evaluation, no response was required by Chairman Thomas.

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

Evaluator Notes:

Yes, the last seminar was conducted in 2019.

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

Evaluator Notes:

Yes, this item is listed and reviewed with the operator on AR PSC Standard Inspection form under Addendum Question number 6.

12	Does the state have a mechanism for communicating with stakeholders - other than state pipeline safety seminar? (This should include making enforcement cases available to public).	1	1
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Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

AR PSC communication method continues to be via their website. Inspection reports, updates on proposed rules and other

events are posted. Link to the AR PSC website for inspection reports is listed below:
<http://www.apscservices.info/pipelinereports/FinalReports.aspx>

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| 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:

A review of PDM found no safety related condition reports filed in CY2020.

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

Yes, an email to Robert Clarillos confirm Bobby Henry did response to several survey request. No issues

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

No active waivers. This was checked at PHMSA website.

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| 16 | Were pipeline program files well-organized and accessible?
Info Only = No Points | Info Only | Info Only |
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Evaluator Notes:

Yes, electronic documents requested during this evaluation were well organized with the requested data.

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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?
Yes = 3 No = 0 Needs Improvement = 1-2 | 3 | 3 |
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Evaluator Notes:

Program Manager is familiar and made changes to SICT. The SICT person days for CY2020 was 510 and required construction days of 102. The number of total inspection and construction days were met.

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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 | Info Only | Info Only |
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Evaluator Notes:

A review of the Performance Metric chart for CY2020 found gas distribution system leaks is showing a down trend from 334 to 314. The same downward trend is reflected in total leaks eliminated/repaired from 101 to 88.

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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 = No Points
a. https://pipelinesms.org/
b. Reference AGA recommendation to members May 20, 2019 | Info Only | Info Only |
|-----------|--|-----------|-----------|

Evaluator Notes:

The private distribution systems in AR have a program in place to address the Pipeline Safety Management Systems. Other distribution systems are reviewing this management approach for future consideration.

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

Evaluator Notes:

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

Total points scored for this section: 50
Total possible points for this section: 50



PART E - Field Inspections

Points(MAX) Score

- 1 Operator, Inspector, Location, Date and PHMSA Representative (enter specifics into the comments box below) Info Only Info Only

Info Only = No Points

- What type of inspection(s) did the state inspector conduct during the field portion of the state evaluation? (i.e. Standard, Construction, IMP, etc)
- When was the unit inspected last?
- Was pipeline operator or representative present during inspection?
- Effort should be made to observe newest state inspector with least experience

Evaluator Notes:

Harrisburg Water & Gas: Utilities Manager, Ralph Hooker, Harrisburg Mayor, Justin Kimble and Utilities Foreman, Robert Farmer. APSC Inspectors-Jerome Huckaby and Larry Eslick. May 17-19, 2021 a standard inspection was performed. On May 20 9:00-11:00 Bel-Air Village Apartments at Jonesboro master meter inspection with Owner Mr. Mark Hackney & Garden Manor Apartments at Jonesboro master meter system was inspected with Mrs. Christyn Bales Manager, APSC Inspectors - Jerome Huckaby and Larry Eslick. Harrisburg Water & Gas was last inspected on 7/30/19 thru 8/2/19, Bel-Air Village Apartments was 9/21/20 and Garden Manor Apartments was 10/16/20.

- 2 Did the inspector use an appropriate inspection form/checklist and was the form/checklist used as a guide for the inspection? (New regulations shall be incorporated) 2 2

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, the inspector was using PHMSA Form 2, Standard Inspection Report of a Gas Distribution Operator. He asked questions to the operator representatives about compliance to each of the regulations. Answers to each questions was provided from Harrisburg's Operation and Maintenance Manual. On the master meter operator the inspectors were using the Master Meter check list form. Each item on the form was reviewed with the operator. Pipe to soil readings were taken at random locations in the apartment complex.

- 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, good questions were asked by inspector Jerome Huckaby and Larry Eslick assisted in completing the inspection form. Both individuals verified the answers and determine compliance. Yes, an in-depth review of all Harrisburg records were conducted. A review of corrosion control records on rectifiers was checked. Yes, a field inspection was conducted on Harrisburg's cathodic protection system. The review consisted of a check of several rectifiers and pipe-to-soil potential readings taken a random locations. Yes, the two days standard inspection was of adequate length in determining the operator's compliance to the pipeline safety regulations. The one day inspection of Bel-Air Village Apartments & Garden Manor Apartments at Jonesboro were of adequate length.

- 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:

Due to limited access to the internet, Teams was not available. The observation was based on conversations between the inspector and operator representatives.

- 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 May 19th with Harrisburg Water & Gas personnel. No violations were found or noted. Discussion on the operator's annual report pertaining to data entered in Part D was reviewed. It was noted the information was incorrectly entered and operator will be submitting a revised annual report. Yes, exit interviews were conducted at the two master meter operators on May 20th. No violations or areas of concerns were noted or found.

- 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, both inspectors and Harrisburg personnel observed safety procedures and practices as they conducted the field inspection of the gas distribution system. Safety vests, safety glasses and other protective clothing were being worn by all individuals. Prior to taking readings at each rectifier a reading was taken on the outside metal box to insure no electrical current was shorted. All reading were taken in a safe location away from traffic and driveways. When it was necessary to check a pipeline marker, warning lights were turned on the vehicle to alert individuals driving by work was being performed.

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

Evaluator Notes:

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

Total points scored for this section: 15
Total possible points for this section: 15



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

One of the staff members reviews all annual reports for accuracy and compares data to previous year. If an error is noted, he contacts the operator requesting data be corrected and submit a new report. After correction have been made, the information is reviewed by Peer review and then to the Program Manager. The data is used to create the AR PSC Pipeline Report Data spreadsheet. The spreadsheet contains multiple charts and graphs showing the trends for all items listed in the annual report. The report data is posted on AR PSC website and used in the agency risk ranking of operators to be inspected each year. The reports are listed at <http://www.apscservices.info/PSOdata.asp>

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

Evaluator Notes:

AR PSC continues to receive individual daily reports from each operator listing the root causes and parties that damage their facilities. An invoice for damages is send to the party that damaged the facilities from the operator with a letter from AR PSC informing the individual or company representative of their failure to not follow AR Underground Facilities Damage Prevention Act. All operators are maintaining a list of the excavators who have repeatedly damaged their facilities. Operators are taking action to correct behavior on damaging their facilities by conducting individual meetings with the excavator(s) and providing training to their individuals.

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|---|---|---|---|
| 3 | Has the state reviewed the operator's annual report pertaining to Part D - Excavation Damage?
Yes = 4 No = 0 Needs Improvement = 1-3
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 | 4 |
|---|---|---|---|

Evaluator Notes:

- a. Yes, AR PSC staff member reviews all operator annual reports and develop a spreadsheet, Pipeline Data Report, showing the results. The spreadsheet is peer reviewed and forward to the Program Manager. Root cause numbers are included in the review. Charts are developed in the spreadsheet showing each of the four root cause issues.
- b. Yes, this is addressed in the Pipeline Data Report spreadsheet.
- c. Yes, this item is addressed in the Pipeline Data Report spreadsheet.
- d. Yes, this is item is reviewed during standard and construction inspections.
- e. Yes, operators are re-qualifying individuals or hiring outside contractors to locate their facilities.
- f. Approximately 500 in CY2020.
- g. Approximately 400 in CY2020.
- h. Yes.

- i. Yes, an effort is being made by several larger operators to improve their mapping systems. This action was taken after a review of damages that were occurring due to miss-marks or errors on maps.
- j. Yes. They have conducted meeting with operators and discussed this issue with them.

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?	2	2
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Yes = 2 No = 0 Needs Improvement = 1

- 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?

Evaluator Notes:

- a. Communication companies (AT&T) are the largest stakeholder group that are causing damages to underground facilities.
- b. Yes, this is accomplished with letters to contractors and individuals about damage prevention. Additional information is provided in public service announcements and hand out brochures.
- c. Yes, failure to use hand tools were required and failure to call for a locate.
- d. Yes, operators are continue to participate in multiply One Call meetings with contractors at the AR One Call 811 Summit.

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

Evaluator Notes:

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

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



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:

AR PSC 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:

AR PSC 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:

AR PSC 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:

AR PSC 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:

AR PSC 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:

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

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