



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

ILLINOIS COMMERCE 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: Illinois

Agency Status:

Date of Visit: 07/13/2021 - 07/15/2021

Agency Representative: Matthew Smith, Assistant Director, Safety and Reliability Division, ICC

PHMSA Representative: Don Martin

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

Name/Title: Carrie Zalewski, Chairman

Agency: Illinois Commerce Commission

Address: 527 E. Capitol Avenue

City/State/Zip: Springfield, Illinois 62794-9280

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 | 0 | 0 |
| B | Program Inspection Procedures | 15 | 15 |
| C | State Qualifications | 10 | 10 |
| D | Program Performance | 50 | 45 |
| E | Field Inspections | 15 | 15 |
| F | Damage prevention and Annual report analysis | 10 | 10 |
| G | Interstate Agent/Agreement States | 0 | 0 |

TOTALS

100

95

State Rating

95.0

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:

- In comparing the 2020 Progress Report to the 2019 Progress Report, there is a reduction of one operator and unit for the Municipal Operator Type and an increase of one operator and unit in the Intrastate Transmission Operator Type. There is a discrepancy with units compared to Attachment 3. See comments in (c).
- ICC provided a spreadsheet listing operators, inspection unit, inspection type and person days. The spreadsheet and email to file confirmed the accuracy of Attachment 2.
- Attachment 1 shows 70 inspection units for Private Distribution Operators but Attachment 3 shows 66. Attachment 1 shows 8 inspection units for Master Meter Operators but Attachment 3 shows 7. Attachment 1 shows 3 inspection units for LPG Operators but Attachment 3 shows 2. ICC provided a spreadsheet listing operators, inspection unit, inspection type and person days. The Program Manager will send corrected information to Carrie Winslow.
- There two reportable incidents during 2020. Both incidents were on the Northern Illinois Gas system. The PDM confirmed the incidents listed on the IOC's Progress Report. No issues.
- ICC provided a spreadsheet reports with noncompliance. No issues were found.
- No issues.
- A review of PHMSA Training and Qualifications Division's (TQ) Blackboard training system was reviewed. No issues were found with the Inspector Categories in Attachment 7.
- No issues.
- No issues.

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

- | | | | |
|---|---|---|---|
| 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 |
|---|---|---|---|
- a. Standard Inspections, which include Drug/Alcohol, CRM and Public Awareness Effectiveness Inspections
 - b. TIMP and DIMP Inspections (reviewing largest operator(s) plans annually)
 - c. OQ Inspections
 - d. Damage Prevention Inspections
 - e. On-Site Operator Training
 - f. Construction Inspections (annual efforts)
 - g. LNG Inspections

Evaluator Notes:

The ICC's PIPELINE SAFETY PROGRAM STANDARD OPERATING, ENFORCEMENT AND INCIDENT INVESTIGATION PROCEDURES (Procedures) revised 8/12/2019 were applicable during Calendar Year 2020. The Procedures were reviewed.

- a. The Standard Inspection Procedures are located in Section V.(E starting on Page 15 of the ICC's PIPELINE SAFETY PROGRAM STANDARD OPERATING, ENFORCEMENT AND INCIDENT INVESTIGATION PROCEDURES (Procedures) ending on Page 20. Pre-Inspection activities are described in Section V.(B. on Page 13. Post inspection activities are described in Section V.(R. on Page 25. No issues.
- b. Transmission Integrity Management Program (IMP) inspections are described in Section V.(O. on Page 24. Distribution Integrity Management Program (DIMP) inspections are described in Section V.(Q. on Page 24. Pre and Post Inspection activities are the same on Page 13 and 25. No issues.
- c. Operator Qualification (OQ) inspections are described in Section V.(I. on Page 22 and 23. Pre and Post Inspection activities are the same on Page 13 and 25. No issues.
- d. Damage Prevention inspections are described in Section V.(N. on Page 23 and 24. Pre and Post Inspection activities are the same on Page 13 and 25. No issues.
- e. Operator Training is described in Section V.(M. on Page 23. Pre and Post Inspection activities are the same on Page 13 and 25. No issues.
- f. Design and Construction inspections are described in Section V.(H. on Pages 20 to 22. Pre and Post Inspection activities are the same on Page 13 and 25. No issues.
- g. LNG inspections are described in Section V.(P. on Pages 24. Pre and Post Inspection activities are the same on Page 13 and 25. No issues.

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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 |
|---|--|---|---|
- a. Length of time since last inspection
 - b. 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:

The ICC utilizes four considerations to establish inspection priorities, i.e., Risk Model, Length of time since last inspection, construction activity level and analysts (inspector) review of past inspection data. Development of priorities is described in the Procedures on Pages 5 to 7. The risk assessment method is described in Section IV.(B. The risk priority document is contained in the Pipeline database. The inspection units appeared to be broken down appropriately. No issues were identified.

- 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 3 3
Yes = 3 No = 0 Needs Improvement = 1-2
- 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. The ICC has steps identified in its Standard Operating Procedures on Page 25 for providing written non-compliance notification to a company officer. No issues.
- b. Section V on Page 27 covers tracking of violations. No issues.
- c. Section W on Page 28 provides steps for the closing of outstanding PV's and NOA's. No issues.

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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:

The Commission has established a Pipeline Safety Emergency Line (217) 782-5050, for the reporting of incidents. The line is monitored 24 hours a day, 365 days a year, by Pipeline Safety Program staff during working hours and a contracted answering service on nights, weekends and holidays.

- a. The answering service takes the message and then calls the Pipeline Safety Program Manager, or, in his absence, the assigned Analyst. This is usually done within an hour of the incident. The operator is immediately contacted for more detailed information. No issues
- b. If it is immediately evident that the probable cause of the incident was not on gas company facilities or there is indication that arson is involved, PSP staff would only investigate if the operator requests assistance. Incidents involving customer inside piping go beyond the Commission's jurisdictional responsibility, and therefore do not require the ICC to investigate. An hour is usually not enough time for a pipeline operator to complete all the inspections and testing of gas system facilities to confirm whether their facilities are or are not involved in a reported incident. Although additional information may not be available at the time, a communications link is established to keep Pipeline Safety Staff informed as information becomes available. Each incident is different, but the information surrounding each incident must be analyzed to determine whether an on-site inspection is necessary. This analysis is based on Federal reporting criteria, operational knowledge of the facilities, and experience in these matters. The Pipeline Safety Program Manager will assign an Analyst to investigate any incident deemed to qualify as a requirement as reportable under State or Federal law. If it is a major incident involving several injuries or fatalities, more than one Analyst may be assigned to investigate. Depending upon the magnitude of the incident, the Pipeline Safety Program Manager may coordinate the on-site investigation. In some instances, incidents may be reported but no on-site investigation may be warranted upon receipt of additional information. In those instances, a record will be created documenting the reason(s) that an on-site investigation was not conducted. No issues.

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

Evaluator Notes:

There were no issues resulting in the loss of points in Part B of this evaluation.

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

- | | | | |
|----------|--|---|---|
| 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 |
|----------|--|---|---|
- a. Completion of Required OQ Training before conducting inspection as lead
 - b. Completion of Required DIMP/IMP Training before conducting inspection as lead
 - c. Completion of Required LNG Training before conducting inspection as lead
 - d. Root Cause Training by at least one inspector/program manager
 - e. Note any outside training completed
 - f. 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:

The IOC's 2020 Progress Report listed Matt Smith, Bryan Pemble, Marc D. Conner, David DePaola, James A. Dyas, Narinder Grewal, Scott Grogan, Kevin Hecker, Ryan N. McMillen, Brian Mills, Jerry Nunez, Michael P. Schoenherr, Stephen M. Warrner as Inspectors/Investigators. TQ's Blackboard training database was reviewed for training records of each individual.

- (a. All inspectors except Scott Grogan and Narinder Grewel have completed the mandatory courses to lead an OQ inspection.
- (b. One inspector, Kevin Hecker, and Program Manager, Matt Smith, have completed the Transmission IMP mandatory courses to lead a Transmission IMP inspection. All inspectors except Scott Grogan and Narinder Grewel have completed the mandatory courses to lead a Distribution IMP inspection.
- (c. Kevin Hecker and Matt Smith have completed the mandatory courses to lead an LNG inspection.
- (d. Three individuals have completed the Root Cause course.
- (e. No outside training noted.
- (f. All inspectors except Scott Grogan and Narinder Grewel have completed the mandatory courses to lead a Standard inspection. They are on schedule to complete the courses within the required timeframe.

- | | | | |
|----------|--|---|---|
| 2 | Did state records and discussions with state pipeline safety program manager indicate adequate knowledge of PHMSA program and regulations? Chapter 4.1,8.1 Yes = 5 No = 0 Needs Improvement = 1-4 | 5 | 5 |
|----------|--|---|---|

Evaluator Notes:

The program manager has completed all of the mandatory courses to lead Standard, OQ, Transmission and Distribution IMP and LNG inspections. He has completed the Root Cause course. He has been in the program manager's for two years and he has served in an acting role in the past. He has several years of experience as an inspector for the ICC.

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

There were no issues resulting in the loss of points in Part C of this evaluation.

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

Approximately one fifth of the operators and inspection units were randomly selected for CY2020 evaluation. This resulted in the following:

| | |
|-----------------------------------|----|
| Total Operators Randomly Selected | |
| Pipeline Operators | |
| Distribution ? Private (Large) | 2 |
| Distribution - Municipal | 14 |
| Transmission- | 8 |
| Total | 24 |

Considering each operator should have Public Awareness, Drug & Alcohol, Operator Qualification and DIMP/or TIMP inspections completed within 5 years, a total of 96 inspections are involved. The ICC missed intervals on 22 of the 96. Intervals were missed on 3 of 24 Public Awareness, 5 of 24 Drug & Alcohol, 7 of 24 OQ and 7 of 24 DIMP/TIMP inspections.

There were a total of 75 inspection units. Intervals were missed on 8 of 75 Standard Inspections.

Five points are deducted.

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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 Managemente. Part 193 LNG Inspectionsf. Constructiong. OQ (see Question 3 for additional requirements)h. IMP/DIMP (see Question 4 for additional requirements) | | |

Evaluator Notes:

(a. - (h. - Upon a review of inspection records for a randomly selected sample of operators, there no issues discovered code requirements coverage. All inspection forms were completed and had adequate documentation.

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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:

For 24 randomly selected operators:

Protocol 9 inspections were conducted for the operators reviewed. Forms were completed properly. No issues.

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|---|---|---|---|
| 4 | Is state verifying operator's integrity management Programs (IMP and DIMP)? This should include a review of plans, along with monitoring progress. In addition, the review should take in to account program review and updates of operator's plan(s). 49 CFR 192 Subpart P Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
| | a. Are the state's largest operator(s) plans being reviewed annually 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? | | |

Evaluator Notes:

For 24 randomly selected operators:

a. The largest operators' plan implementations were reviewed during 2020.

b. No issues found.

c. Form 22 with and without considerations are used during inspection; however documented findings are only entered into form without considerations.

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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 | 2 | 2 |
| | a. Operator procedures for determining if exposed cast iron pipe was examined for evidence of graphitization and if necessary remedial action was taken; b. Operator procedures for surveillance of cast iron pipelines, including appropriate action resulting from tracking circumferential cracking failures, study of leakage history, or other unusual operating maintenance condition? (Note: See GPTC Appendix G-18 for guidance); c. Operator emergency response procedures for leaks caused by excavation damage near buildings and determine whether the procedures adequately address the possibility of multiple leaks and underground migration of gas into nearby buildings Refer to 4/12/01 letter from PHMSA in response to NTSB recommendation P-00-20 and P-00-21; d. Operator records of previous accidents and failures including reported third-party damage and leak response to ensure appropriate operator response as required by 192.617; e. Directional drilling/boring procedures of each pipeline operator or its contractor to determine if they include actions to protect their facilities from the dangers posed by drilling and other trench less technologies; f. Operator procedures for considering low pressure distribution systems in threat analysis? g. Operator compliance with state and federal regulations for regulators located inside buildings? | | |

Evaluator Notes:

(a. The ICC covers this requirement on Page 3 of Inspection Form ILPS3 - Standard Inspection of Distribution Operator - Records Review. This requirement was reviewed and the results were documented on all inspection forms reviewed for the randomly selected operators. (b. The ICC covers this requirement on Page 5 of Inspection Form ILPS7 - Standard Inspection of Distribution Operator - O&M Review. (c. The ICC covers this requirement on Page 7 of Inspection Form ILPS7 - Standard Inspection of Distribution Operator - Records Review. (d. The ICC covers this requirement on Page 3 of Inspection Form ILPS3 - Standard Inspection of Distribution Operator - Records Review. (e. The requirement is covered on Inspection Form ILPS7 on Page 6. (f. The ICC is incorporating this recommendation in its Distribution Integrity Management Plan inspection checklist. (g. The ICC is incorporating this recommendation in its Distribution Integrity Management Plan inspection checklist for 2020.

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

Evaluator Notes:

The ICC has a link (Advisories) in the Pipeline Safety section of the website that includes PHMSA advisory bulletins providing to all stakeholders. The ICC reviews with operators during Standard - O&M Procedures Inspections.

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

- a. Were compliance actions sent to company officer or manager/board member if municipal/government system?
- b. Were probable violations documented properly?
- c. Resolve probable violations
- d. Routinely review progress of probable violations
- e. Did state issue compliance actions for all probable violations discovered?
- f. Can state demonstrate fining authority for pipeline safety violations?
- g. Does Program Manager review, approve and monitor all compliance actions? (note: Program Manager or Senior Official should sign any NOPV or related enforcement action)
- h. Did state compliance actions give reasonable due process to all parties? Including "show cause" hearing, if necessary.
- i. Within 30 days, conduct a post-inspection briefing with the owner or operator outlining any concerns
- j. Within 90 days, to the extent practicable, provide the owner or operator with written preliminary findings of the inspection. (Incident investigations do not need to meet 30/90-day requirement)

Evaluator Notes:

Upon a review of inspection records for a randomly selected sample of operators, there were no issues discovered with following compliance procedures. All inspection forms were completed and had adequate documentation. The ICC schedules follow up inspections to resolve and close non-compliance issues.

- a. No issues.
- b. Probable violations were documented in inspection checklists and the inspection report form.
- c. Follow up inspections are scheduled to confirm corrective action has been completed by the operator.
- d. Progress is reviewed by the Program Manager until closure of a probable violation.
- e. There were no instances found where a probable violation was documented in a report and was not issued to the operator.
- f. Yes, the ICC has used its fining authority as shown on Attachment 5 of the annual Progress Reports.
- g. The written non-compliance letters are sent under the Program Manager's signature.
- h. No issues.
- i. The ICC documents this action on an Exit Briefing Form.
- j. No issues were found. The ICC documents the communication and dates on Exit Briefing Form.

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

- a. Does state have adequate mechanism to receive and respond to operator reports of incidents, including after-hours reports?
- b. Did state keep adequate records of Incident/Accident notifications received?
- c. If onsite investigation was not made, did the state obtain sufficient information from the operator and/or by means to determine the facts to support the decision not to go on site?
- d. Were onsite observations documented?
- e. Were contributing factors documented?
- f. Were recommendations to prevent recurrences, where appropriate, documented?
- g. Did state initiate compliance action for any violations found during any incident/accident investigation?

- h. Did state assist Region Office or Accident Investigation Division (AID) by taking appropriate follow-up actions related to the operator incident reports to ensure accuracy and final report has been received by PHMSA?
- i. Does state share any lessons learned from incidents/accidents?

Evaluator Notes:

Investigation files on ICC's web site for two distribution incidents.

NORTHERN ILLINOIS GAS CO - Incident Date - 10/8/2020 near Ancona, IL - Operator determined cause was Incorrect Operation

NORTHERN ILLINOIS GAS CO - Incident Date - 1/11/2020 near Mclean, IL - Operator determined cause was Natural Force Damage (Rescinded by operator)

- a. The ICC has a 24 Hrs. Incident Notification number which is monitored by inspection staff monitor during regular working hours. An outside contracted answering service is utilized during after hours, holidays and weekends. The answering service notifies the Program Manager or alternate within one hour of receiving call.
- b. Records of notifications for the two incidents were kept.
- c. No issues.
- d. No issues.
- e. No issues.
- f. No issues.
- g. Yes, civil penalty was assessed.
- h. The AID did not respond with any concerns with the ICC's assistance.
- i. The ICC provides a summary of incidents and lessons learned during NAPS Regional and state seminars.

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

The ICC responded in 10 days and addressed the deficiencies described in the letter.

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

Evaluator Notes:

Seminars were conducted in 2014 and 2017. The seminar scheduled for 2020 has been postponed to 2021 due to pandemic. The ICC is considering conducting a webinar to discuss some topics. Largest operators were presented with some updates during 2020. A seminar is scheduled for Oct. 27 and 28 of 2021.

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

Evaluator Notes:

The ICC covers this requirement on Page 2 of Inspection Form ILPS6 - Standard Inspection of Gas Transmission Operator - Records Review.

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

Evaluator Notes:

The ICC's web site has a section for pipeline safety that contains information for stakeholders. Inspection and enforcement documents, and other relevant pipeline safety information are posted.

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

One SRCR prior to 2021 was found to be open (Village of Dahlgreen). It will be closed after confirmation with operator that action mitigated the condition.

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

Evaluator Notes:

- (a. No known issues with survey requests.
(b. A search in WMS did not show any past due responses.
(c. One past due SRCR task was found to be past due but ICC waiting on update from operator (Village of Dahlgreen).

- 15** If the State has issued any waivers/special permits for any operator, has the state verified conditions of those waivers/special permits are being met? This should include having the operator amend procedures where appropriate. 1 1
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Waivers were searched on PHMSA's web site. PHMSA's web site lists four special permits(waivers) issued by the ICC that are still valid. The waivers are as follows: Central Illinois Public Service Company - 9/19/05 Central Illinois Public Service Company - 10/03/06; Elwood Energy, LLC (Elwood) - 09/18/2020; Nicor Gas Company (Nicor) - 06/12/17. The ICC is monitoring the existing waivers for continued need and any conditions attached to the waiver for Elwood Energy waiver.

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

Evaluator Notes:

The files were found to adequate during the CY2019 evaluation. No changes to the system have occurred since the evaluation. The files were satisfactory during the CY2020 evaluation.

- 17** Discussion with State on accuracy of inspection day information submitted into State Inspection Day Calculation Tool (SICT). Has the state updated SICT data? 3 3
Yes = 3 No = 0 Needs Improvement = 1-2

Evaluator Notes:

The Program Manager was knowledgeable of the requirements for the SICT. The SICT review for CY2021 inspection person days resulted in a minimum of 992 days. The result for CY2020 was 1018 days. The minimum inspection person days conducting construction inspections in CY2021 is 198 days. There were no issues identified during the peer review of the ICC's submittal for CY2021.

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

Evaluator Notes:

Excavation damages per 1000 tickets (EDT) decreased in 2019 versus 2017 and 2018 which continues the downward trend over the past ten years; however, an uptick occurred in 2020 to 2.2 which is still below the national average. Inspection person days per 1000 miles has trended downward (negative direction) in 2018 and 2019. The downward trend continued in 2020 to 5.6 inspection person days per 1000 miles. Staff turnover is negatively impacting this metric. The ICC has experienced a loss of staff which has impacted the number of available person days. The ICC is striving to replace the open positions. Inspector Qualification was negatively impacted in 2020 due to the addition of new staff that will need to complete training courses. Gas Distribution System Leaks - Number of leak repairs is trending upward (negative); however, outstanding leaks to be repaired at end of year are holding steady (positive). Enforcement - The ICC has scored at the highest level in evaluations over the past ten years. Incident Investigations - The ICC has scored at the highest level in evaluations over the past ten years until 2019. The 2019 evaluation resulted in the loss of points due to an incident investigation that was not conducted.

- 19** Did the state encourage and promote operator implementation of Pipeline Safety Management Systems (PSMS), or API RP 1173? This holistic approach to improving pipeline safety includes the identification, prevention and remediation of safety hazards. Info Only Info Only
Info Only = No Points

- a. <https://pipelinesms.org/>
- b. Reference AGA recommendation to members May 20, 2019

Evaluator Notes:

The ICC has promoted and encouraged operators to implement Pipeline Safety Management Systems (PSMS). In a docketed case to approve the merger involving Nicor, the Commission included in the order that Nicor implement PSMS as a condition to the merger's approval. Pipeline Safety monitors Nicor's progress. As a result of the Commission's actions and encouragement, the four largest private distribution operators in Illinois have implemented PSMS. ICC's Pipeline Safety plans to promote PSMS at the next seminar to encourage other operators to implement.

20 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

D.1- A review of the ICC's records confirmed that required inspection intervals were not met. Inspection records for 75 randomly selected inspection units were reviewed. The ICC has not conducted standard inspections for eight of the 75 inspection units in the last five years. Five points are deducted.

Total points scored for this section: 45
Total possible points for this section: 50



PART E - Field Inspections

Points(MAX) Score

- 1 Operator, Inspector, Location, Date and PHMSA Representative (enter specifics into the comments box below) Info Only Info Only
Info Only = No Points
- What type of inspection(s) did the state inspector conduct during the field portion of the state evaluation? (i.e. Standard, Construction, IMP, etc)
 - When was the unit inspected last?
 - Was pipeline operator or representative present during inspection?
 - Effort should be made to observe newest state inspector with least experience

Evaluator Notes:

- The ICC conducted an Operator Qualification Plan inspection using Form 14.
- July 9, 2015
- Illinois Gas was represented by Homer Gardner and Jordan Kocher.
- Ryan McMillen of the ICC conducted the inspection.

- 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 used Form 14 - Operator Qualification Plan Review ? July 2020.

- 3 Did the inspector adequately review the following during the inspection 10 10
Yes = 10 No = 0 Needs Improvement = 1-9
- Procedures (were the inspector's questions of the operator adequate to determine compliance?)
 - Records (did the inspector adequately review trends and ask in-depth questions?)
 - Field Activities/Facilities (did inspector ensure that procedures were being followed, including ensuring that properly calibrated equipment was used and OQ's were acceptable?)
 - Other (please comment)
 - Was the inspection of adequate length to properly perform the inspection?

Evaluator Notes:

- Yes, the inspector met this expectation.
- No issues found.
- Not applicable since this was a plan review.
- No issues.
- All protocol questions were covered in an appropriate timeframe.

- 4 From your observation did the inspector have adequate knowledge of the pipeline safety program and regulations? (Evaluator will document reasons if unacceptable) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, the inspector was knowledgeable of the applicable regulations and the pipeline safety program.

- 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, the inspector provided an exit briefing at the end of the inspection. The inspector advised the operator representatives that a notice of amendment related to Protocol Three would be included in the written communication.

- 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:

The inspection was a review of the operator's Operator Qualification Plan. The inspection was conducted virtually to avoid risk during the Covid-19 pandemic. An inspection in the field was not applicable since Protocol Nine was not in the scope of this inspection. The inspection was conducted in a professional manner.

7 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

There were no issues that resulted in the loss of points.

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



PART F - Damage prevention and Annual report analysis**Points(MAX) Score**

- | | | | |
|---|--|---|---|
| 1 | Has the state reviewed Operator Annual reports, along with Incident/Accident reports, for accuracy and analyzed data for trends and operator issues. Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

The ICC assigns an inspection report number for each review of an operator's annual report. These reviews were conducted in March and April 2020 timeframe. The inspection reports for the randomly selected operators were reviewed. The results were documented. There was evidence the ICC does check for abnormal data and trends.

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

The ICC documents its review of damage prevention and discussion with operators on a form developed by the National Association of Pipeline Safety representatives. The form is titled "Job Aid ? PHMSA Suggested Questions Damage Prevention Program Inspection Report". Page 2 of the form verifies the accuracy of the Annual Report Excavation Damage entries, contains the number of locates and total damages. The total damages are broken into root causes defined as One-Call Notification Practices Not Sufficient, Locating Practices Not Sufficient, Excavation Practices Not Sufficient and Other. Each root cause is discussed. Forms completed in 2020 for the largest operators were reviewed. They were 2020-P00341 - Peoples Gas; 2020-P-00361 - Northern Illinois Gas Company; 2020-P00361 - Northshore Gas and 2020-P-00340 - Ameren Illinois.

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

Evaluator Notes:

The ICC documents its review of damage prevention and discussion with operators on a form developed by the National Association of Pipeline Safety representatives. The form is titled "Job Aid ? PHMSA Suggested Questions Damage Prevention Program Inspection Report". Page 2 of the form verifies the accuracy of the Annual Report Excavation Damage entries, contains the number of locates and total damages. The total damages are broken into root causes defined as One-Call Notification Practices Not Sufficient, Locating Practices Not Sufficient, Excavation Practices Not Sufficient and Other. Each root cause is discussed. Forms completed in 2020 for the largest operators were reviewed. They were 2020-P00341 - Peoples Gas; 2020-P-00361 - Northern Illinois Gas Company; 2020-P00361 - Northshore Gas and 2020-P-00340 - Ameren Illinois.

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

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:

One call enforcement is located within Pipeline Safety except for the Chicago area. One Call handles Chicago area for damage prevention enforcement. ICC Pipeline Safety uses Annual Report information to collect number of pipeline damages per 1000 locates. One Call is provided the data and trends.

- a. The ICC is aware that excavation and locating stakeholders comprise the highest percentage of excavation damages per 1000 tickets.
- b. This issue is covered with operator and documented on Inspection Form ILPS3 Page 3.
- c. This issue is covered with operator on Inspection Form ILPS3 Page 3.
- d. This issue is covered with operator and documented on Inspection Form ILPS3 Page 3.

5 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

There no issues found which resulted in the loss of points in Part G of this 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:

ICC is not an interstate agent.

- 2 If inspections were conducted independent of a PHMSA team inspection was notice of all identified probable violations provided to PHMSA within 60 days? Info Only Info Only
Info Only = No Points

Evaluator Notes:

ICC is not an interstate agent.

- 3 If inspections were conducted independent of a PHMSA team inspection was PHMSA immediately notified of conditions which may pose an immediate safety hazard to the public or environment? Info Only Info Only
Info Only = No Points

Evaluator Notes:

ICC is not an interstate agent.

- 4 If inspections were conducted independent of a PHMSA team inspection did the state coordinate with PHMSA if inspections not were not included in the PHMSA Inspection Work Plan? Info Only Info Only
Info Only = No Points

Evaluator Notes:

ICC is not an interstate agent.

- 5 Did the state take direction from and cooperate with PHMSA for all incident investigations conducted on interstate pipelines? Info Only Info Only
Info Only = No Points

Evaluator Notes:

ICC is not an interstate agent.

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

Evaluator Notes:

ICC is not an interstate agent.

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