



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

INDIANA UTILITY REGULATORY 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:** Indiana

**Agency Status:**

**Date of Visit:** 04/12/2021 - 04/16/2021

**Agency Representative:** Bill Boyd, Pipeline Safety Division Director  
Dan Novak, Pipeline Safety Division Manager  
Mike Neal, Pipeline Safety Engineer  
Miranda Erich, Pipeline Safety Engineer  
Mary Schneider, Data & Reporting Manager

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

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

**Name/Title:** Jim Huston, Chairman  
**Agency:** Indiana Utility Regulatory Commission  
**Address:** 101 West Washington Street, Suite 1500E  
**City/State/Zip:** Indianapolis, IN 46204

**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

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

### Possible Points Points Scored

0	0
15	15
10	10
50	50
15	15
10	10
0	0
<b>100</b>	<b>100</b>

### TOTALS

**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:

- Jurisdictional authority, number of operators and unit inspected were found correct and verified via PHMSA Portal.
- Number of inspection person days meet the minim requirement. Construction days 133 does not meet the 149 required number. Total inspection person days were 1041.
- Verification of operators names & ID numbers match attachment 1 & 3. No issues.
- Four incidents reported for CY2020. The incidents match the number in PHMSA Portal. No issues.
- Number of carryover violations listed was 288. Previous year was 285. Compliance action was taken and civil penalties in the amount of \$1.769 M collected.
- A review of list of records appears to be correct. Unable to verify due to working remotely.
- Reviewed TQ training records and verified 12 inspectors have attended classes. Inspector categories are as follows: 1-I, 4-II, 4-III, 1-IV, 2-V.
- They have not adopted civil penalty amount of \$100,000 to \$1 Million. Current penalty amount is \$25,000 per day up to \$1 million for a series of violations. A loss of two point occurred on the progress report review.
- No issues with summary of planned and pass performance projects. Good description on meeting the nine elements of damage prevention.

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



## PART B - Program Inspection Procedures

Points(MAX) Score

- |   |   |   |   |
|---|---|---|---|
| 1 | Do written procedures address pre-inspection, inspection and post inspection activities for each of the following inspection types: Chapter 5.1<br>Yes = 5 No = 0 Needs Improvement = 1-4   | 5 | 5 |
|   | <ul style="list-style-type: none"><li>a. Standard Inspections, which include Drug/Alcohol, CRM and Public Awareness Effectiveness Inspections</li><li>b. TIMP and DIMP Inspections (reviewing largest operator(s) plans annually)</li><li>c. OQ Inspections</li><li>d. Damage Prevention Inspections</li><li>e. On-Site Operator Training</li><li>f. Construction Inspections (annual efforts)</li><li>g. LNG Inspections</li></ul> |   |   |

Evaluator Notes:

- a. This is listed in Indiana Utility Regulatory Commission (IURC) Pipeline Safety Program Manual (PSPM) Section B, Inspection Planning, pages 1-16.
- b. This is listed in Indiana Utility Regulatory Commission (IURC) Pipeline Safety Program Manual (PSPM) Section B, Inspection Planning, page 12.
- c. This is listed in Indiana Utility Regulatory Commission (IURC) Pipeline Safety Program Manual (PSPM) Section B, Inspection Planning, page 12.
- d. This is listed in Indiana Utility Regulatory Commission (IURC) Pipeline Safety Program Manual (PSPM) Section B, Inspection Planning, page 12.
- e. This is listed in Indiana Utility Regulatory Commission (IURC) Pipeline Safety Program Manual (PSPM) Section B, Inspection Planning, page 12.
- f. Listed in Section C, pages 7 & 8.
- g. This is listed in Indiana Utility Regulatory Commission (IURC) Pipeline Safety Program Manual (PSPM) Section B, Inspection Planning, page 12. Time interval is 3 year cycle.

- |   |   |   |   |
|---|---|---|---|
| 2 | Do written procedures address inspection priorities of each operator, and if necessary each unit, based on the following elements and time frames established in its procedures? Chapter 5.1<br>Yes = 4 No = 0 Needs Improvement = 1-3  | 4 | 4 |
|   | <ul style="list-style-type: none"><li>a. Length of time since last inspection</li><li>b. Operating history of operator/unit and/or location (includes leakage, incident and compliance activities)</li><li>c. Type of activity being undertaken by operators (i.e. construction)</li><li>d. Locations of operator's inspection units being inspected - (HCA's, Geographic area, Population Centers, etc.)</li><li>e. Process to identify high-risk inspection units that includes all threats - (Excavation Damage, Corrosion, Natural Forces, Outside Forces, Material and Welds, Equipment, Operators and any Other Factors)</li><li>f. Are inspection units broken down appropriately?</li></ul> |   |   |

Evaluator Notes:

- Yes, this is listed in Indiana Utility Regulatory Commission (IURC) Pipeline Safety Program Manual (PSPM) Section B, Inspection Planning. Length of time since last inspection on page 12. Type of activity and risk scoring is located on pages 3-9.

- |   |   |   |   |
|---|---|---|---|
| 3 | (Compliance Procedures) Does the state have written procedures to identify steps to be taken from the discovery to resolution of a probable violation? Chapter 5.1<br>Yes = 3 No = 0 Needs Improvement = 1-2  | 3 | 3 |
|   | <ul style="list-style-type: none"><li>a. Procedures to notify an operator (company officer) when a noncompliance is identified</li><li>b. Procedures to routinely review progress of compliance actions to prevent delays or breakdowns</li><li>c. Procedures regarding closing outstanding probable violations</li></ul> |   |   |

Evaluator Notes:

- a. Yes, this is listed in Indiana Utility Regulatory Commission (IURC) Pipeline Safety Program Manual (PSPM) Section D,

Inspection Form and Violation Processing pages 1-3

b. Yes, this is listed in Indiana Utility Regulatory Commission (IURC) Pipeline Safety Program Manual (PSPM) Section D, Inspection Form and Violation Processing page 3.

c. Yes, this is listed in Indiana Utility Regulatory Commission (IURC) Pipeline Safety Program Manual (PSPM) Section D, Inspection Form and Violation Processing page 2.

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**4** (Incident/Accident Investigations) Does the state have written procedures to address state actions in the event of an incident/accident? 3 3

Yes = 3 No = 0 Needs Improvement = 1-2

a. Mechanism to receive, record, and respond to operator reports of incidents, including after-hours reports

b. If onsite investigation was not made, do procedures require on-call staff to obtain sufficient information to determine the facts to support the decision not to go on-site.

Evaluator Notes:

a. Yes, this is listed in Indiana Utility Regulatory Commission (IURC) Pipeline Safety Program Manual (PSPM) Section F, Investigation of Incidents pages 1-7.

b. Yes, this is listed in Indiana Utility Regulatory Commission (IURC) Pipeline Safety Program Manual (PSPM) Section F, Investigation of Incidents pages 3-4 discuss this but no documentation is listed. The reason to not go to an incident would be listed on the telephonic report form.

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**5** General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

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

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



## PART C - State Qualifications

Points(MAX) Score

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|---|---|---|---|
| 1 | Has each inspector and program manager fulfilled training requirements? (See Guidelines Appendix C for requirements) Chapter 4.4<br>Yes = 5 No = 0 Needs Improvement = 1-4  | 5 | 5 |
|   | <ul style="list-style-type: none"><li>a. Completion of Required OQ Training before conducting inspection as lead</li><li>b. Completion of Required DIMP/IMP Training before conducting inspection as lead</li><li>c. Completion of Required LNG Training before conducting inspection as lead</li><li>d. Root Cause Training by at least one inspector/program manager</li><li>e. Note any outside training completed</li><li>f. Verify inspector has obtained minimum qualifications to lead any applicable standard inspection as the lead inspector (Reference State Guidelines Section 4.3.1)</li></ul> |   |   |

Evaluator Notes:

A review of TQ Crystal Report indicate the following individuals are qualified active gas inspectors that have completed all required courses: Bill Boyd, Howard Friend, Aaron Holeman, Michael Hummel, Rich Medcalf, Michael Neal, Dan Novak, Robert Starkey and Charles Weindorf. The following individuals have completed the courses to be lead on Gas IM: Dan Novak and Charles Weindorf. The following inspectors have completed the LNG course: Bill Boyd, Howard Friend, Aaron Holeman, Michael Hummel, Rich Medcalf, Michael Neal, Dan Novak & Charles Weindorf. The following inspectors have completed the Root Cause course: Bill Boyd, Howard Friend, Robert Starkey & Charles Weindorf. In accordance to IURC Policy and Procedures minimum training qualifications have to be met to be the lead inspector on a standard inspection.

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

Evaluator Notes:

Yes, Bill Boyd has completed all required training courses at TQ and been the program manager for six of his 18 years, 2009-2012 and 2018 to present.

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

Evaluator Notes:

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

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



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

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

**Evaluator Notes:**

Random generated operators to be checked for this evaluation period consisted of 8 distributions, 3 transmissions, 2 LNG operators, 12 Master meter operators and one hazardous liquid operator. A review of Program Manager's "Operator Spreadsheet Type inspections for Records Audit 2020" provided the type of inspection with inspection number, date, type and inspectors initials. Using the spreadsheet the following inspection records were reviewed, Midwest Natural Gas (IMP, DIMP, OQ, Standard, D&A), Poseyville Municipal (DIMP, OQ, Standard & D&A), Northern Indiana Public Service (IMP, DIMP, OQ, Standard, D&A & CRM), Montezuma Municipal Gas (DIMP, OQ, Standard & D&A), Switzerland County (DIMP, OQ, Standard, & D&A), Bainbridge Municipal (DIMP, OQ, Standard, & D&A), Southern Indiana Gas & Electric (IMP, DIMP, OQ, Standard, D&A & CRM), Linde/Praxair (IMP, OQ, Standard & D&A), Citizens Gas & Coke Utility (IMP, DIMP, OQ, Standard, D&A & CRM), Pulse Energy Systems, LLC (IMP, OQ, Standard & D&A), Riverside Petroleum (OQ, Standard & D&A), Northern In Public Service LNG (IMP, OQ, Standard) Country Mark (IMP, OQ, Standard, D&A, & CRM), Woodland Park Holdings (DIMP, OQ, & Standard), MGM Property Management (DIMP, OQ, & Standard), Revel & Underwood, Inc. (DIMP, OQ & Standard), Townhouse East (DIMP, OQ & Standard), Professional Property Services of Indiana (DIMP, OQ & Standard), Barrett & Stokely, Inc. (DIMP, OQ & Standard), Magna Properties (DIMP, OQ & Standard), Cambridge Square CO-OP (DIMP, OQ & Standard), Hillcrest Apartments (DIMP, OQ & Standard), Axiom Properties (DIMP, OQ & Standard), Arbors at Evansville/Red Bank (DIMP, OQ & Standard), Greencroft Communities (DIMP, OQ & Standard), Sun Communities (DIMP, OQ & Standard). Reviewed inspection reports and documentation for Midwest Natural Gas (Missed cycle schedule on two operators. DIMP - Switzerland County Inspection number 10836. OQ inspection Woodlake Village I&II inspection number 10624. All inspections review were found to be conducted in accordance to schedule cycle. Construction inspections were not achieved in meeting the 20% level. Number completed was 133 number required is 149.

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|----------|---|----|----|
| <b>2</b> | Did inspection form(s) cover all applicable code requirements addressed on Federal Inspection form(s)? Did State complete all applicable portions of inspection forms? Chapter 5.1. Do inspection records indicate that adequate reviews of procedures, records and field activities, including notes and the appropriate level of inspection person-days for each inspection, were performed?<br>Yes = 10 No = 0 Needs Improvement = 1-9 | 10 | 10 |
|          | <ul style="list-style-type: none"><li>a. Standard (General Code Compliance)</li><li>b. Public Awareness Effectiveness Reviews</li><li>c. Drug and Alcohol</li><li>d. Control Room Management</li><li>e. Part 193 LNG Inspections</li><li>f. Construction</li><li>g. OQ (see Question 3 for additional requirements)</li><li>h. IMP/DIMP (see Question 4 for additional requirements)</li></ul>  |    |    |

**Evaluator Notes:**

Yes, a review of inspection forms that are located on the agency's share point site confirm the forms cover all applicable code requirements.

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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<br>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. In this regard, a full OQ plan review is conducted. The following operator OQ Plans were reviewed: Midwest Natural Gas , Poseyville Municipal, Northern Indiana Public Service , Montezuma Municipal Gas , Switzerland County , Bainbridge Municipal, Southern Indiana Gas & Electric, Linde/Praxair, Citizens Gas & Coke Utility , Pulse Energy Systems, LLC , Riverside Petroleum, Northern In Public Service LNG, Country Mark , Woodland Park Holdings , MGM Property Management, Revel & Underwood, Inc., Townhouse East , Professional Property Services of Indiana , Barrett & Stokely, Inc., Magna Properties, Cambridge Square CO-OP, Hillcrest Apartments , Axiom Properties, Arbors at Evansville/Red Bank , Greencroft Communities , and Sun Communities

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

- a. This is accomplished by Indiana Administrative Code 170 IAC 5-3-2 Federal Safety Regulations,
- b. The operators are required to provided update plans and procedure annually in accordance to the Indiana Administrative Code.
- c. This item is addressed in the operators O&M Plan review.

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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<br>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. This item is covered in the IURC Standard Inspection Form- Corrosion Gas Distribution & Transmission Operator.
- b ,c ,d, e, f & g. These items are addressed in IURC Operations and Maintenance Inspection Form ? Distribution.



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
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Evaluator Notes:

Yes, this item is addressed in the communication letter send to all operators from IURC on May 13, 2020. The letter contains information on PHMSA advisory items.

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
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- 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. Yes, reviewed compliance action letters to the following operators and found information was mailed to board member of municipal system. Aurora Utilities inspection number 11097, Mayor Hasting. Private Distribution System: Centerpoint Energy Indiana inspection number 11105, Richard Leger, Regional Vice-President. Master Meter Operator: Gene & Glick Company, Inc. inspection no, 11230, Doug Elemore, Vice President Maintenance Operations.
- b. Yes, all probable violations were well documented with required evidence. No issues.
- c. Yes, violations were cleared and resolved within 60 days or dates established by the agency. No issues.
- d. Yes, probable violations are reviewed routinely by inspector and administrative staff on a quarterly schedule.
- e. Yes, action was take on several operators and civil penalty amounts were assessed and collected.
- f. Yes, seventy-five compliance actions were listed in IURC 2020 Progress Report Attachment 5. Three civil penalties were issued in the total amount of \$1.769 M.
- g. Yes, this item is listed in the procedure manual. Inspectors routinely review the inspection reports for follow-up action.
- h. Yes, this is addressed in the Commission's rules and regulations.
- i. Yes, a review of compliance letters and inspection reports reflect the post inspection was conducted via email or telephone conversation with operator representatives.
- j. Yes, a review of compliance letters and spreadsheet confirm this was provided to the operator. NOPV letters are send within 90 days per the Guidelines Section 5.1.5, "Procedures for notifying an operator when noncompliance is identified". Additionally, all exit interviews are completed within 30 days, but most often upon the conclusion of the inspection.

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
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- 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:**

Four incidents were listed in IURC 2020 Progress Report Attachment 4. Three of the four incident met the federal reporting requirements. No injuries or fatalities occurred on the incidents. However, property damage did occur. Three of the incidents occurred on Northern Indiana Public Service Company systems and one on Indiana Gas Co.

a. Yes, this item is located in IURC Procedures Manual, Section F, Investigation of Incidents on page 3. The Division has established a Pipeline Safety Emergency Line for the reporting of incidents. The line is monitored 24 hours a day, 365 days a year, by a Pipeline Safety Program staff member.

b. Yes, this information is located in IURC SharePoint site.

c. Yes, this information is located in UIRC Procedures Manual, Section F, Investigation of Incidents and the Telephonic Incident form. Located in the form is a check or comment section to provide a response to not go to the site.

d. Yes, onsite observations have been documented along with contributing factors. This applies to Northern Indiana Public Service Company - Burns Harbor, Goshen and Fort Wayne. Additionally, Indiana Gas Company - Crawfordsville incidents.

e, f & g. No compliance action was found due to the investigation.

h. The AID team is giving IURC high marks. Looks like there were 4 reportable incidents for the year. Indiana was great to work with. They sent AID a heads up before we even got the NRC notice. Mr. Neal provided unsolicited updates and answered questions. 5 of 5 stars. I received updates from the field in a timely basis with information about response, operator actions, injury status, and repairs.

The 30-day report was submitted on time by the operator. A supplemental version was submitted a week after we contacted the IN URC.

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

**Evaluator Notes:**

Chairman Huston responded to Mr. Zach Barrett's letter dated November 20, 2020 on January 26, 2021 requesting a reconsideration of restoring two points. The lost of two points was contributed to not inspecting all types of operators and inspection units. On February 2, 2021, Mr. Barrett response letter stated the two point deduction would be restored based on further review of information provided by IURC.

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

**Evaluator Notes:**

The last pipeline safety seminar was in calendar year 2018 at French Lick, IN. IURC conducted a pipeline safety seminar for master meter operators in South Bend & Greenwood, IN. This seminar was conducted in calendar year 2019.

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

**Evaluator Notes:**

This item is located in IURC Transmission O&M Inspection form. A review of the documents found this information was completed on each inspection.

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

**Evaluator Notes:**

This item is addressed in IURC website. Information on communication with stakeholder is found in the News Release section.

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

A review of PHMSA Data Mart found two safety related condition reports for CY2020. 1. NORTHERN INDIANA PUBLIC SERVICE CO on 12-23-2020; 2. CITIZENS GAS & COKE UTILITY on 11-16-2020.. All reports were on transmission lines.

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

- a. Comments from NAPSRS Administrative Manager, we had a total of 18 surveys in 2020. Indiana participated in 8 of them, so yes they have been participating. Some states participate in all of them no matter what. Others may not log in and fill out the survey if it does not apply to them and some may have time off or be on inspections and they simply prioritize other items over a survey. But, Indiana did fill out just shy of half of them.
- b. No comments from Work Management.
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|-----------|--|---|---|
| <b>15</b> | If the State has issued any waivers/special permits for any operator, has the state verified conditions of those waivers/special permits are being met? This should include having the operator amend procedures where appropriate.<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|-----------|--|---|---|
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Evaluator Notes:

No waivers/special permits have been issued in CY2020.

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

Yes, due to not being present and only available to review via Teams it was assumed all records and files are accessible.

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|-----------|---|---|---|
| <b>17</b> | Discussion with State on accuracy of inspection day information submitted into State Inspection Day Calculation Tool (SICT). Has the state updated SICT data?<br>Yes = 3 No = 0 Needs Improvement = 1-2 | 3 | 3 |
|-----------|---|---|---|
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Evaluator Notes:

Program Manager is familiar with the process of completing the SICT data. He is aware the SICT number for CY2021 is 767. The number of required construction inspection days to meet the 20% requirement is 153 for CY2021.

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

Evaluator Notes:

Reviewed the performance metrics with IURC staff members pertaining to inspection activity, inspection days, damages per 1,000 locate request. Excellent downward trend in damages and leaks were found. No issues.

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- |           |   |           |           |
|-----------|---|-----------|-----------|
| <b>19</b> | 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.<br>Info Only = No Points | Info Only | Info Only |
|           | a. <a href="https://pipelinesms.org/">https://pipelinesms.org/</a>  |           |           |
|           | b. Reference AGA recommendation to members May 20, 2019   |           |           |
- 

Evaluator Notes:

Yes, this item was presented at the IURC Pipeline Safety Seminar in 2018. Additional meetings with Vectren, NPSCO and Centre Pointe representatives have occurred to present how they are using PSMS. In November 4, 2020 at the Indiana Damage Prevention Counsel (DPC) meeting, Steve Allen presented this topic to the operators in attendance. This same presentation was given at the North, Southwest, & Southeast DPC meetings in 2020.

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**20** General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

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

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Total points scored for this section: 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:

This was a construction inspection on Ohio Valley Gas (OVG). The virtual inspection was performed by Mike Hummel. A service line was being installed at 300 Block West Oak Street in Union City, IN by Greater Heights Corporation. This inspection unit was last inspected on March 16, 2021 by this same inspector. Mr. Hummel is the newest state inspector and has not been observed in previous state program evaluations.

Company and construction representatives present are listed below:

Greg Bailey, Ohio Valley Gas

Jerry Fair, Ohio Valley Gas

Brian Bailey, Greater Heights Corp

- 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:

The inspector was using IURC construction form. The form contains a checklist of items to observe and check. Each item was checked as Greater Heights Corporation (GHC) was tying in the service line to the main and installing the tracer wire. Observation of the service line socket weld being performed by electronic fusion and equipment voltage was checked. A pressure test of 95 psig for 15 minutes was performed on the service line and pressure gauges were checked for calibration dates.

- 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, written procedures, records of the construction project plans, OQ of individuals performing the work and depth of line and other relative information was checked. The depth of the service line and main was found to be approximately 47". The service line pipe manufacture date was 05-09-2020. The length of the inspection was adequate due to incoming snow and hazardous weather conditions that changed in the afternoon. No issues.

- 4 From your observation did the inspector have adequate knowledge of the pipeline safety program and regulations? (Evaluator will document reasons if unacceptable) 2 2

Yes = 2 No = 0 Needs Improvement = 1

### Evaluator Notes:

Yes, Mike Hummel demonstrated a professional working knowledge of the project and items to check for compliance with the Minimum Federal Safety Standards.

- 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, Mike Hummel conducted an exit interview with Greg Bailey, Project/Engineer Manager, Ohio Valley Gas after the backfill material was being installed around the service line. No probable violations or areas of concern 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, all safety procedures, wearing of protective clothing, eye protection and safety vests were observed being used by Mike Hummel and company personnel. Greater Heights Corporation personnel demonstrated excellent knowledge and skills during the installation of the service line. In this regard, they answered all questions asked about the project and allow access to their company records.

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

Evaluator Notes:

No loss of points occurred in this section of the review. Excellent cooperation was provided by Mike Hummel in providing additional information on the inspection report.

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.<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

**Evaluator Notes:**

Yes, this is accomplished by each inspector conducting a review of the operator's annual reports prior to performing their inspection. This item is listed in Section B of IURC procedures manual. Additionally, the inspector will use the Distribution Operator's F7100 Annual Review Check list form to verify data on the operator's report and analyze trends or potential risk areas, (leakage, corrosion, damages) prior to conducting the inspection.

- |   |  |   |   |
|---|--|---|---|
| 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)<br>Has the state verified that the operators have appropriately identified excavators who have repeatedly violated one-call laws and damaged their facilities. Have the operators taken steps to mitigate that risks? (192.1007)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

**Evaluator Notes:**

Yes, IURC investigates excavation damages that occur on all natural gas companies facilities. The operator is required to submit a report of damages to the agency in determining the root cause of the damage. IURC reviews and investigate the damage report and makes a recommendation to the Underground Plant Protection Advisory Committee (UPPAC) on who caused the damage(s). The UPPAC reviews the investigation reports and renders a decision to issue a "Warning Letter", "Re-Training" or civil penalty to the contractor or operator. Excavators who have repeatedly violated the one-call law is addressed in IC 8-1-26.

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

**Evaluator Notes:**

- a. Yes this is accomplished by comparing the CRM Data program to the operator's individual reports on damages that occurred on the system.
- b. Yes, IURC staff reviews the operator's investigation reports and other data to confirm the cause of damages.
- c. Yes, IURC staff reviews these items during a review of the operator's investigation reports and other data in the annual report. Part of the review includes those items listed in Part D of the operator's annual report.
- d - j. Yes, the operator or their contractor locators are OQ qualified. This item is checked on each inspection and reviewed when a damage report is submitted to their agency for review. Yes, operators are continually requalifying locators who have failed to locate correctly. This is reviewed and discussed with the operator at meetings. In accordance to data collected by IURC for CY2020 the number of damages resulting from mismatch was 95 out of 307. Facility could not be found was 38, incorrect facility records was 108, locating practices not sufficient 14, locator error 40 and site marked incomplete 3.

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. Excavators are causing the highest number of damages in the State of Indiana.
- b. The monthly Damage Prevention Counsel Meetings address this issue and share information on causes of damages.
- c. Yes, IURC continues to monitor and analyze data from the annual report and damage reports submitted by operators to their agency. The number of damages has decreased due to the enforcement of the damage prevention law and their action in meeting with the operators on addressing failure to mark correctly, tolerance zones on markings and trained qualified locators.
- d. Yes, the Damage Prevention Counsel and public awareness outreach meetings has focused on causes of damage. This information is shared with all stakeholder groups.

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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 review.

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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:

IURC does not have a 60106 agreement with PHMSA nor 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:

IURC does not have a 60106 agreement with PHMSA nor 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:

IURC does not have a 60106 agreement with PHMSA nor 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:

IURC does not have a 60106 agreement with PHMSA nor 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:

IURC does not have a 60106 agreement with PHMSA nor an interstate agent.

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

Evaluator Notes:

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

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