



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

NEW YORK DEPARTMENT OF PUBLIC SERVICE

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: New York

Agency Status:

Date of Visit: 08/02/2021 - 08/06/2021

Agency Representative: Kevin Speicher, Chief, Pipeline Safety Section, NY DPS

Brett Mahan, Utility Supervisor

Jeffrey Kline, Utility Engineering Specialist 3

Suresh Thomas, Utility Supervisor

Zachary Tondera, Utility Engineering Specialist 2

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

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

Name/Title: John Howard, Chair

Agency: New York Department of Public Service

Address: 3 Empire State Plaza

City/State/Zip: Albany, New York 12223

Rating:

60105(a): Yes **60106(a):** No

Interstate Agent: Yes

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

TOTALS

100	100
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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 and verified via PHMSA Portal. More inspection units were reviewed in CY2020 from previous year. They have Interstate agent jurisdiction over 12 operators with PHMSA.
- Number of inspection person days 2907 meet the minimum requirement of 2055. Construction days of 419.8 meet the required number of 411.
- A review of data in PHMSA Portal confirm verification of operators match attachment 1 & 3. No issues.
- Four of the five incidents reported in attached 4 match the number in PHMSA Portal. One incident listed was non-reportable and should be considered as a SRC report, New York State Electric & Gas Corp, Report #20210010. No issues.
- Number of carryover violations was 23. Previous year 113. Seventy-five compliance actions were taken and no civil penalties assessed or collected in CY2020. However, NY PSC uses incremental performance points against operators for non-compliance. In CY2020, Central Hudson Gas & Electric Corp was assessed 4 points, Corning Natural Gas Corp 11 points, National Grid 9 and 1/3 base points and Orange & Rockland Utilities Inc 1 and 5/16 base points.
- A review of list of records appears to be correct. Unable to verify due to working remotely.
- Reviewed TQ training records and verified 37 inspectors have attended classes. Inspectors: 28-I, 1-II & 8-III
- Adopted civil penalty amount of \$250,000 with no upper limit. No issue.
- Good description on planned & past performance was provided. Answers to questions pertaining to Damage Prevention were provided.

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



PART B - Program Inspection Procedures

Points(MAX) Score

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

Evaluator Notes:

- a. Yes, NY DPS Staff Guideline Manual, provides in Chapter 4. Intrastate Natural Gas and Hazardous Liquid Inspection and Compliance Program, Section 4, page 32 the pre and post inspection activities for standard inspections.
- b. Yes, this information is provided in NY DPS Staff Guideline Manual, Chapter 4, section 4.5, Program Audits, page 38. Comprehensive distribution integrity management plan inspections have been completed and their results documented using Inspection Assistant (IA). The recommendation letters, any associated findings, and audit documentation are located in r:\division\gaswater\Safety (1) or r:\division\gaswater\safety.
- c. Yes, this information is provided in NY DPS Staff Guideline Manual, Chapter 4, section 4.5, Program Audits, page 39. ? Comprehensive operator qualification inspection plan inspections have been completed and their results documented using Inspection Assistant (IA). Documentations are located in r:\division\gaswater\Safety (1) or r:\division\gaswater\safety.
- d. Yes, this information is provided in NY DPS Staff Guideline Manual, Chapter 8. Damage Prevention, page 65.
- e. Yes, this information is provided in NY DPS Staff Guideline Manual, Chapter 1. 1.5 Training, page 12-13.
- f. Yes, this information is provided in NY DPS Staff Guideline Manual, Chapter 6. Construction, page 52.
- g. Yes, this information is provided in NY DPS Staff Guideline Manual, Chapter 5. LIQUEFIED NATURAL GAS (LNG), page 50.

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

Evaluator Notes:

- a. Yes, this information is provided in NY DPS Staff Guideline Manual, Chapter 4. page 31. b. - e. These items are listed in Chapter 4, section 4.2 General Provisions: operator data, general provisions, record audits, field audits, program audits, operations and maintenance procedure audits, verification audits, special audits, probable violations, letters to operators, audit correspondence and documentation, operator training, total state field inspection activity, and national transportation safety board recommendations. Process to identify high-risk inspection units that includes all threats (excavation, corrosion, natural forces, outside forces, materials and welds, equipment and other related factors. They currently have a "5 Year Record Audit Plan" that identifies the high, medium and low risk functions broken down on a five year schedule. High risk are performed annually, medium risk function every other year and low-risk function on a five year basis. f. A review of their Appendix 4A confirm inspection units are broken down correctly.

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| 3 | (Compliance Procedures) Does the state have written procedures to identify steps to be taken from the discovery to resolution of a probable violation? Chapter 5.1
Yes = 3 No = 0 Needs Improvement = 1-2 | 3 | 3 |
|---|--|---|---|

- a. Procedures to notify an operator (company officer) when a noncompliance is identified
- b. Procedures to routinely review progress of compliance actions to prevent delays or breakdowns
- c. Procedures regarding closing outstanding probable violations

Evaluator Notes:

- a. Yes, this information is provided in NY DPS Staff Guideline Manual, Chapter 4. Section 4.9 to 4.11 pages 45-47.
- b. This is addressed in NY DPS Staff Guideline Manual, Chapter 4. Section 4.10 . Letters to Operator, page 46
- c. This is addressed in NY DPS Staff Guideline Manual, Chapter 4. Section 4.11 Audit Correspondence and Documentation page 47.

4	(Incident/Accident Investigations) Does the state have written procedures to address state actions in the event of an incident/accident?	3	3
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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. This is addressed in NY DPS Staff Guideline Manual, Chapter 9. ACCIDENT INVESTIGATION pages 70-76.
- b. Yes, this item is found in NY DPS Staff Guideline Manual, Chapter 9, section 9.3.2 Notification During Non-Business Hours

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

Evaluator Notes:

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

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



PART C - State Qualifications

Points(MAX) Score

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

Evaluator Notes:

A review of TQ Blackboard report shows 29 individuals have completed the required basis courses and qualified gas inspectors. Twenty-one inspectors are Gas IMP qualified, twenty have completed the LNG course and thirty have completed the root cause course.

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

Kevin Speicher has been the program manager for 9 years and completed all the required courses at TQ for gas inspector qualifications.

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

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

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



PART D - Program Performance

Points(MAX) Score

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

Evaluator Notes:

Yes, the random generated operators to be checked for this evaluation period consisted of 9 distribution, 6 transmission, 4 gas gathering & 3 LNG operators. A review of inspections reports provided by Program Manager on inspections performed on each operator found the time intervals were met in accordance to NY DPS procedures to at least once every 5 calendar years. NY DPS performed 2,907 inspection Person-Days for CY2020. The required number of construction inspection Person-Days for CY2020 was established as 411. The actual number of construction inspections performed was 419. NY DPS achieved the 20% level requirement for the evaluation period under review.

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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:

Yes, NY DPS inspection forms cover all federal and state code requirements. They use the federal IA forms when conducting inspections. A review of the following inspection reports for this evaluation period consisted of the following and found to be complete with all applicable sections. BATH ELECTRIC GAS & WATER SYSTEMS, RESERVE GAS CO INC, NEW YORK STATE ELECTRIC & GAS CORP, NATIONAL FUEL GAS DISTRIBUTION CORP - NEW YORK, KEYSpan ENERGY DELIVERY - NY CITY, NATIONAL FUEL GAS DISTRIBUTION CORP - NEW YORK, KEYSpan ENERGY DELIVERY - LONG ISLAND, NIAGARA MOHAWK POWER CORP, CONSOLIDATED EDISON CO OF NEW YORK, GAS TRANSMISSION- GREENIDGE PIPELINE LLC, HUDSON VALLEY GAS CORPORATION, MINARD RUN OIL CO., LOCKPORT COGENERATION FACILITY, JAMESTOWN BOARD OF PUBLIC UTILITIES, UNITED STATES GYPSUM CO GAS GATHERING - NATIONAL FUEL GAS DISTRIBUTION CORP - NEW YORK, REPSOL OIL & GAS USA, LLC, CHESAPEAKE OPERATING, L.L.C., EMKEY GATHERING LLC LNG-KEYSPAN ENERGY DELIVERY - NY CITY, CONSOLIDATED EDISON CO OF NEW YORK, KEYSpan ENERGY DELIVERY - LONG ISLAND

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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 |
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Evaluator Notes:

Yes, they are using the Federal IA form document for the plan audits. A review of audit plan inspections conducted were reviewed and found complete.

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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:

- a. Yes, comprehensive distribution integrity management plan inspections have been completed for the larger operators in the state. This included a quarterly meeting with all operators on TIMP/DIMP.
- b. This is discussed at the quarterly meeting with the operators. All operator's who use plastic pipe must provided information to NY DPS about all fusions. All defected fusions must be reported to NY DPS.
- c. Yes, this is addressed in their risk ranking. Additionally, NY DPS has notified all operator pertaining to low pressure issue that may threaten their system.

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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 Yes, this is reviewed on each company during their inspection audits and information found is entered into the NY DPS database.
- b. Surveillance of cast iron is covered during the inspection and recorded in the NY DPS database. c. NY DPS issued its Gas Emergency Plan Order on December 18, 2013. The order requires operators to submit emergency plans with consideration of the best practices developed by staff, and in conjunction with working groups at Staff's 2019 pipeline safety seminar.
- d. All incident notifications are reviewed by NY DPS staff and documented in the INL database or PAS application.
- e. As directional drilling/boring procedures are submitted by the operator or its contractors they are reviewed by NY DPS staff members. If an areas of concern is found, they provide comments back to the operator.
- f. All threat analysis procedures submitted by the operator are reviewed by staff members. After review comments are provided back to the operator. g. Inside regulators are documented for each operator and information is entered in the NY DPS database.

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 reviewed during the inspection audit and meetings, seminars or other official meetings with operators.

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
	<ul style="list-style-type: none"> 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, a review of compliance letters in CY2020 confirm letters were sent to company officers.
- b. Yes, letters contained probable violations and action required by operator to comply.
- c. Yes, information on resolving violation was contained in the letters.
- d. Yes, Program Manager and Supervisors are routinely reviewing compliance letter to insure response from operator have been received.
- e. Yes, a review of letters confirm compliance action for violations have been issued.
- f. Yes, the civil penalty assessed in CY2019. The amount was \$727,500 against several operators.
- g. Yes, Program Manager and Supervisors are routinely reviewing compliance letter to insure response from operator have been received.
- h. Yes, compliance action is provided in the letter and prior to a exit interview with the operator.
- i. Yes, a review of compliance letters and inspection reports confirm a post inspection briefing was performed.
- j. Yes, compliance letter were send within 90 days after the inspection audit.

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
	<ul style="list-style-type: none"> a. Does state have adequate mechanism to receive and respond to operator reports of incidents, including after-hours reports? b. Did state keep adequate records of Incident/Accident notifications received? c. If onsite investigation was not made, did the state obtain sufficient information from the operator and/or by means to determine the facts to support the decision not to go on site? d. Were onsite observations documented? e. Were contributing factors documented? f. Were recommendations to prevent recurrences, where appropriate, documented? g. Did state initiate compliance action for any violations found during any incident/accident investigation? h. Did state assist Region Office or Accident Investigation Division (AID) by taking appropriate follow-up actions related to the operator incident reports to ensure accuracy and final report has been received by PHMSA? 		

- i. Does state share any lessons learned from incidents/accidents?

Evaluator Notes:

- a. Yes, this item is covered in NY DPS Staff Guideline Manual, Chapter 9. During normal business hours, all incident notifications are received by Staff. The person receiving the notification will record the information given on Form GW-1 Safety Section Incident Notification Report. Staff will determine if further investigation is required and, if necessary, contact local supervision that covers the area of the incident for any required follow-up action, which may include dispatching Staff for an on-site investigation, or contacting the utility for updated information. Each business day, Staff will verify that all reports of incidents that warrant field investigation have been dispatched to local supervision.
- b. Yes.
- c. Yes. After hour incident notifications will be received by those employees designated. The notification lists will be updated annually (in January) and will be provided to the operators. In addition, Staff will notify the utilities as necessary to remove names of Staff who leave the Section. When taking a non-business hour notification, all information received shall be recorded on Form GW-1 Section Incident Notification Report. Staff is advised to keep a supply of the forms at home and/or have an electronic version. Staff receiving an off-hours notification should judge whether an immediate investigation is warranted based on the information obtained. Factors to consider include reported fatalities or injuries, property damage, or media attention. If Staff determines that an investigation is warranted, Staff shall, regardless of the time of day, attempt to contact their direct supervisor, or the Section Chief. If unable to make contact, Staff shall decide whether to commence an immediate investigation. When in doubt, Staff should opt to self-dispatch to the incident location and inform supervision as soon as practicable by leaving a voice-mail and/or e-mail correspondence.
- d thru f. Yes, information on incidents were recorded in NY DPS data base.
- g. Yes compliance action was taken when a violation was found pertaining to an incident.
- h. Yes, information received from PHMSA AID confirmed NY DPS responded and provided follow-up information on all incidents that occurred in NY.
- i. Information on incidents or accidents are presented at the NAPS Eastern Region Meeting.

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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 | 1 | 1 |
| <small>Yes = 1 No = 0 Needs Improvement = .5</small> | | | |

Evaluator Notes:

A review of letter sent to Chair Rhodes on November 6, 2020 did not require a response. No issue.

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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 | Info Only |
| <small>Info Only = No Points</small> | | | |

Evaluator Notes:

The last seminar was conducted in Cooperstown, NY on September 16-20, 2019. The seminar was both a gas and hazardous liquid program.

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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 | Info Only |
| <small>Info Only = No Points</small> | | | |

Evaluator Notes:

Yes, they periodically review this information with the operator during their inspection audits.

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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). | 1 | 1 |
| <small>Yes = 1 No = 0 Needs Improvement = .5</small> | | | |

Evaluator Notes:

This is accomplished via their website, New York Advisory Committee, and quarterly meetings with the larger operators.

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

Evaluator Notes:

A review of PHMSA Portal found two safety related condition reports submitted in CY2020. One of the two was on a gas

transmission operator's facility. The operator is Central Hudson Gas & Electric. The other safety related condition report was on a Hazardous Liquid operator's facility. The operator is Consolidated Edison Company of New York.

- 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. & b. Yes

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

Evaluator Notes:

A review of PHMSA Website confirm no state waiver or permits have been issued.

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

Evaluator Notes:

Yes, considering the state program evaluation was performed via Teams.

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

Evaluator Notes:

Yes, they have updated their SICT number for CY2022 and understand the importance of submitting the data before July 30th.

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

Evaluator Notes:

A review of performance metrics with Program Manager found a downward trend in leaks. Excavation damages per 1,000 locate request continue to show improvement in a downward trend.

- 19** Did the state encourage and promote operator implementation of Pipeline Safety 1 1
Management Systems (PSMS), or API RP 1173? This holistic approach to improving
pipeline safety includes the identification, prevention and remediation of safety hazards.
Info Only = No Points

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

Evaluator Notes:

Yes, they are encouraging and promoting operators to implement the PSMS program. Additionally, NYPSC is monitoring the operator's progress in this program via rate cases and/or merger proceedings.

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

Evaluator Notes:

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

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 = 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 three day inspection observation of NY PSC inspector Zachary Tondera on August 24-25, 2021. The first inspection was a standard on NYSEG in Tonawanda, NY. The second inspection was a construction of a main and service line renewals at 496 W. Ferry Street in Buffalo, NY. NYSEG representatives were at each site and throughout the entire inspection audits.

- 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)

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, Mr. Tondera was using NY PSC inspection forms to record information on odorant levels at different locations, checking equipment calibration dates and serial number, pipeline markers locations, pipe-to soil potential readings, OQ records and regulator & overpressure protection device settings.

- 3 Did the inspector adequately review the following during the inspection

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:

Mr. Tondera was observed asking detailed questions to the operator representatives about odorant readings, OQ procedures and qualification steps in performing an odorant test. During the construction inspection more detailed questions and pictures were taken with the installation of a new main and removal of the old cast iron. Observation of the crew fusion the two inch DR 11 pipe and fittings was recorded by Mr. Tondera. The manufacture date and time stamped on the material was recorded in Mr. Tondera's notes. Tapping tee and other associated fittings were checked and monitored as each component was installed in the main line. Reviewing and monitoring the fusion and cool down times were checked. Fusion equipment calibration was reviewed and recorded. A comprehensive review was conducted on each inspection. The inspection was of adequate length due to the weather and conditions of the work being performed.

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, Mr. Tondera has completed all courses at TQ to meet the requirement of a gas safety inspector. He has been with the NY PSC for more than seven years and has excellent inspection skills.

- 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)

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, at the end of each day an exit interview was conducted with each of the company's crew foreman and liaison representative. Information on items reviewed and areas of concern were explained to each.

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, the inspections performed were conducted in a safe manner taking into consideration of the COVID-19 safe practices procedures. Safety clothing, boots, safety vests, eye protection and hearing plugs and hard hat were wore throughout the entire inspection audits.

7 General Comments: Info Only Info Only

Info Only = No Points

Evaluator Notes:

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

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



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

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

Yes, the operator's annual reports are reviewed in-office by staff engineers. The review data is included in the 2020 Performance Measures Report that is released to the Commissioners and general public in June each year. Operator are taking steps to mitigate the risk by conducting meetings or visiting excavators at their work sites.

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

Yes, the companies are reporting damages and conducting an investigate to the root cause of the damage to their facilities. Operators are maintaining a list of contractors or other individuals that have damaged their facilities. NY DPS continues to promote the adoption of the Common Ground Alliance Best Practices and has included this in the operator's current rate and/or merger cases.

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

- a. Yes, this is reviewed by NY DPS staff and entered into the 2020 Performance Measures Report. Additionally, this is reviewed during the enforcement process of NY DPS requirements.
- b. & c. Yes, this is reviewed by NY DPS staff and entered into the 2020 Performance Measures Report.
- d. Yes, this is reviewed during the construction or other types of field inspections.
- e. Yes, the operator has elected to not requalify the individual but to release the individual from employment.
- f. In CY2020 the number was 319 and in CY2019 the number was 400. The average number of mismarks per company was 29 in CY2020.
- g. Unknown due to NY Dig Law does not allow the contractor to dig until the operator has located their facilities.
- h. Yes, this has been found to have occurred and NY DPS has issued fines. These fines have encourage the operator to make corrections to their mapping errors.
- i. Yes. This is reviewed during an office or field inspection or incident investigation.
- j. Yes, this is reviewed and reported in the 2020 Performance Measures Report.

- | | | | |
|---|--|---|---|
| 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?
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|
- 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.
- b. Yes, this is accomplished via training and enforcement action taken by NY DPS. Anyone doing work for a municipality or local government must obtain training from the One Call Center before excavating.
- c. "Failure to maintain clearance" is the main reason for excavation damages in the State of New York.
- d. Yes, this is reviewed and checked during office/field inspections.

-
- | | | | |
|---|-------------------|-----------|-----------|
| 5 | 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: 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:

Yes, all inspections were conducted using Inspection Assistant (IA). All planned questions were answered, required forms were completed and necessary documents were attached within IA.

- 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:

Four independent inspections were conducted (independent of a PHMSA team); additionally, inspections performed independently along NY units, but with PHMSA as Lead were also conducted. Notifications that inspections were complete and probable violations identified were provided on time for all inspections.

- 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:

Conditions were not present which may pose an immediate safety hazard.

- 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:

PHMSA inspection Work Plan was coordinated between NY and PHMSA (all Regions thru Eastern Region) prior to issuance of 2020 Inspection Plan. Unplanned inspections arose in 2020, NY conducted the additional inspections after PHMSA notification both independently and alongside a PHMSA team.

- 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:

Failure investigations were conducted by NY and coordinated with appropriate PHMSA Region including PHMSA's AID. Continuous updates and reports were provided as per AID incident response guide and as requested.

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

Evaluator Notes:

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

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