



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

Office of Regulatory Staff of South Carolina

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: South Carolina

Agency Status:

Date of Visit: 05/17/2021 - 05/20/2021

Agency Representative: Johnny Eustace

PHMSA Representative: Don Martin

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

Name/Title: Nanette Edwards, Executive Director

Agency: South Carolina Office of Regulatory Staff

Address: 1401 Main Street, Suite 900

City/State/Zip: Columbia, South Carolina 29201

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	49
15	15
10	10
0	0
100	99

TOTALS

State Rating **99.0**

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
- a. Stats On Operators Data - Progress Report Attachment 1
 - b. State Inspection Activity Data - Progress Report Attachment 2
 - c. List of Operators Data - Progress Report Attachment 3*
 - d. Incidents/Accidents Data - Progress Report Attachment 4*
 - e. Stats of Compliance Actions Data - Progress Report Attachment 5*
 - f. List of Records Kept Data - Progress Report Attachment 6 *
 - g. Staff and TQ Training Data - Progress Report Attachment 7
 - h. Compliance with Federal Regulations Data - Progress Report Attachment 8
 - i. Performance and Damage Prevention Question Data - Progress Report Attachment 10*

Evaluator Notes:

- a. The operator information entered into Attachment 1 appears consistent with the information in PHMSA's Pipeline Data Mart (PDM). The Master Meter inspection unit total of 19 should be 18 if the total on Attachment 3 is correct. Correction to Progress Report was completed on 5/19/2021.
- b. The ORS provided a spreadsheet with supporting detail. A review of the spreadsheet confirmed the inspection person days in Attachment 2.
- c. The total for Master Meter units on Attachment 3 shows 18 but Attachment 1 has 19. A note in Attachment 3 states that the Columbia Housing Authority is no longer an operator. Correction to Progress Report was completed on 5/19/2021.
- d. The incidents in the PDM and those listed on Attachment 4 are consistent. No issues.
- e. The information appears correct. No issues.
- f. Files, reports and records are kept electronically. They are easily accessible. While conducting the CY2020 Program Evaluation, the electronic records functioned well.
- g. PHMSA TQ's Blackboard training records system was reviewed. The Inspector Categories assigned to each inspector are correct based upon the completed training records for each inspector.
- h. No issues.
- I. No issues.

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



PART B - Program Inspection Procedures

Points(MAX) Score

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

Evaluator Notes:

The SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program, revised 10/1/2020, were reviewed.

- a. Standard inspection procedures are contained in the procedures. Pre-inspection, inspection and post inspection information are located under Inspection Activity on pages 3-4.
- b. IMP & DIMP inspection procedures are located on pages 8 and 9 under Inspection Activity in SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program. Pre-inspection, inspection and post inspection information are located on pages 3-4.
- c. OQ Plan Inspections are listed on Page 2. OQ inspection procedures are located on page 7 under Inspection Activity in SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program. Pre-inspection, inspection and post inspection information are located on pages 3-4.
- d. Damage Prevention inspection Activities are located on page 8 under Inspection Activity in SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program. Pre-inspection, inspection and post inspection information are located on pages 3-4.
- e. Onsite Operator training inspection activities are located on page 3 under Inspection Activity in SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program. Pre-inspection, inspection and post inspection information are located on pages 3-4.
- f. Construction inspection activities are located on pages 5-8 under Inspection Activity in SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program. Pre-inspection, inspection and post inspection information are located on pages 3-4.
- g. The SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program, revised 10/1/2020, were reviewed. Standard inspection procedures are contained in the procedures. All units, including the two LNG units in SC, are inspected annually. Pre-inspection, inspection and post-inspection information is located on pages 3-4.

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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:

The SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program, revised 10/1/2020, was reviewed.

Items (a. thru (e. are located on pages 2-4 in SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program. The procedures states that all operators will be inspected annually. Inspection units appear to be broken down correctly. The ORS has a spreadsheet that risk ranks Distribution Operators. No issues.

- 3 (Compliance Procedures) Does the state have written procedures to identify steps to be taken from the discovery to resolution of a probable violation? Chapter 5.1 3 3
Yes = 3 No = 0 Needs Improvement = 1-2
- a. Procedures to notify an operator (company officer) when a noncompliance is identified
 - b. Procedures to routinely review progress of compliance actions to prevent delays or breakdowns
 - c. Procedures regarding closing outstanding probable violations

Evaluator Notes:

The SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program, revised 10/1/2020, was reviewed. The procedure and process in the NON-COMPLIANCE INSPECTION GUIDELINES section on pages 9 through 13.

- a. Notification procedures located in Paragraph 1 on pages 9 and 10.
- b. These procedures are located in Paragraph 5 through 10 on pages 10 through 11.
- c. These procedures are located in Paragraph 13 and 14 on page 12.

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- 4 (Incident/Accident Investigations) Does the state have written procedures to address state actions in the event of an incident/accident? 3 3
Yes = 3 No = 0 Needs Improvement = 1-2
- a. Mechanism to receive, record, and respond to operator reports of incidents, including after-hours reports
 - b. If onsite investigation was not made, do procedures require on-call staff to obtain sufficient information to determine the facts to support the decision not to go on-site.

Evaluator Notes:

The SC Office of Regulatory Staff, Procedures and Guidelines for the Pipeline Safety Program, revised 10/1/2020, was reviewed.

- a. 103-415. Incidents.

A. Each gas system shall, as soon as possible, report to the ORS each incident occurring wherein there exist either: (a) serious injury or death of any person; (b) property damage in excess of \$5,000, in the gas system's commercially reasonable estimation, including the gas system's cost of lost gas exiting the gas system's lines to a customer's meter and the expense to make repairs to its facilities or property; or (c) an event that is significant in the judgment of the gas system.

B. Each gas system shall establish and follow procedures for analyzing, reporting and minimizing the possibilities of any future incidents.

- b. The ORS procedures state that all reportable incidents will be investigated on-site on Page 9.

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

Evaluator Notes:

There no findings that resulted in the loss of points in Part B of this evaluation.

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

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:

PHMSA TQ's Blackboard Training Records were reviewed. All inspectors and the Program Manager have completed the minimum required training courses and therefore are qualified to lead a Standard Inspection. All inspectors have completed the training requirements to lead a TIMP/DIMP inspection and OQ Inspection. All inspectors have completed the Root Cause course. All inspectors have completed the training to lead a LNG 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
Yes = 5 No = 0 Needs Improvement = 1-4 | 5 | 5 |
|---|--|---|---|

Evaluator Notes:

The program manager has completed the minimum required training for leading a Standard Inspection, IMP/DIMP inspection, OQ inspection, LNG inspection and has taken Root Cause class. He understands the requirements of the grant program for annual document preparation and submittal. No issues were found with his knowledge of the pipeline safety program and its requirements.

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

There were no findings that resulted in the loss of points in Part C of this evaluation.

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



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

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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:

A spreadsheet containing the operators and inspection units that were randomly selected for CY2020. The ORS entered the inspection completion dates into the spreadsheet. A review of the completed spreadsheet resulted in no issues related to the ORS no meeting inspection intervals. The ORS's construction person days were approximately 18% of the 352 total minimum inspection person days required. Covid 19 restrictions limited interaction with operator personnel for a large portion of CY2020 which impacted reaching the 20% requirement for inspection person days spent on construction inspections.

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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:

Upon a review of randomly selected inspection files of inspections conducted in CY2020, all applicable portions of forms were completed. No instances were found where the inspection forms did not cover pipeline safety regulatory 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
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|--|---|---|

Evaluator Notes:

The ORS has conducted Protocol 9 inspections during Standard Inspections and Construction Inspections. No issues.

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| 4 | Is state verifying operator's integrity management Programs (IMP and DIMP)? This should include a review of plans, along with monitoring progress. In addition, the review should take in to account program review and updates of operator's plan(s). 49 CFR 192 Subpart P
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
| | <ul style="list-style-type: none">a. Are the state's largest operator(s) plans being reviewed annually to ensure they are completing the full cycle of the DIMP/IMP process? | | |

- b. Are states verifying with operators any plastic pipe and components that have shown a record of defects/leaks and mitigating those through DIMP plan?
- c. Are the states verifying operators are including low pressure distribution systems in their threat analysis?

Evaluator Notes:

- a. The two largest operators are Dominion and Piedmont Natural Gas. The IMP and DIMP implementation activities of each are monitored each year per the ORS inspection procedures.
- b. The ORS has a question covering this issue on its inspection report.
- c. The ORS requested that operators provide information about any low pressure system and inside meter sets in their operations. The operator responses indicated there are no low pressure systems or inside meter sets exist in their operations.

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

- 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. No cast iron reported by operators in SC. (b. No cast iron reported by operators in SC. (c. Question #5 on page 44 of the Distribution Standard Comprehensive Inspection form covers this requirement.
- (d. Question on page 42 of the Distribution Standard Comprehensive Inspection form covers this requirement.
- (e. The ORS added a Question on all standard comprehensive , Forms 1 and 2.
- (f. Operator procedures for considering low pressure distribution systems in threat analysis? The ORS has a question on Page 42 of its inspection form.
- (g. Operator compliance with state and federal regulations for regulators located inside buildings? The ORS has a question on Page 46 of its inspection form. The ORS sent questionnaire (email) requesting operators to respond to f. and g. The responses indicated that there are no low pressure sytems or inside meter sets in South Carolina.

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

Evaluator Notes:

- The advisory bulletins issued since the last evaluation are:
- 9/29/2020 - Docket No. PHMSA?2020?0025 - Pipeline Safety: Overpressure - Protection on Low-Pressure Natural Gas Distribution Systems. Advisory Bulletin reminds pipeline operators of their obligations to comply with the gas DIMP regulations at 49 CFR part 192, subpart P. Under DIMP, gas distribution operators must have knowledge of their pipeline systems; identify threats to their systems; evaluate and rank risks; and identify, evaluate, and implement measures to address those risks. Written Procedures (? 192.1005), Knowledge of Distribution System (? 192.1007(a)), Identifying Threats and Ranking Risk (? 192.1007(b)?(c)), Identify and Implement Measures To Address Risk (? 192.1007(d)).
- 9/29/2020 - Docket No. PHMSA?2020?0115 - Pipeline Safety: Inside Meters and Regulator - PHMSA is issuing this

advisory bulletin to alert owners and operators of natural gas distribution pipelines to the consequences of failures of inside meters and regulators. PHMSA is also reminding operators of existing Federal regulations covering the installation and maintenance of inside meter and regulators, including the integrity management regulations for distribution systems to reduce the risks associated with failures of inside meter and regulator installations.

The ORS sent an email requesting operators to respond to f. and g. The responses indicated that there are no low pressure systems or inside meter sets in South Carolina.

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	9
	<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:

- One inspection conducted in 2020 resulted in the discovery of 1 probable violation. The inspection file was reviewed.
- a. The ORS provided the operator with the opportunity to respond to the alleged non-compliance.
 - b. Yes, the probable violations were documented on the inspection form and letter.
 - c. The operator's response describing corrective actions was accepted. A follow up inspection confirmed the operator's response.
 - d. The progress of correcting the probable violation was monitored by the ORS.
 - e. No issues.
 - f. South Carolina has not issued a civil penalty within the last ten years. One Point Deduction.
 - g. Yes. No issues were found.
 - h. Yes, the ORS provided the operator with the opportunity to respond to the alleged non-compliance.
 - i. The ORS provides an exit interview at the conclusion of inspections.
 - j. The one occurrence of a non-compliance finding during 2020 complied with the 90 day written notification requirement.

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:

There were two reportable incidents in South Carolina during CY2020. DOMINION ENERGY SOUTH CAROLINA, INC. in BLUFFTON, SC on 06/19/2020 and PIEDMONT NATURAL GAS CO in GAFFNEY, NC on 09/04/2020. In the both of these incidents a tree fell upon above ground facilities causing a leak. The quantity of gas released exceeded the threshold that requires reporting. Storms were the cause of the trees falling onto the facilities.

- a. Operators are provided with program manager and staff 24/7 contact information. There is a reporting requirements link on the ORS website. The ORS has a form that is completed to capture initial reporting details of the incident.
- b. Records are kept on the network server hard drive. A screen shot of the folder system was provided illustrating where the records are kept.
- c. The ORS procedures state that all reportable incidents will be investigated on-site and investigation reports are completed. Due to the nature of the incident cause in the two incidents and the Pandemic, the ORS was able to confirm the cause and details of the incident without the need for an on-site investigation.
- d. Communication with the operator and fire departments provided the information for this requirement.
- e. There were no probable violations found during the ORS's investigations.
- f. The AID did not provide any concerns with the ORS's assistance.
- g. Yes, the ORS discusses incidents and lessons learned at NAPS Southern Region annual meetings.

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

Evaluator Notes:

The ORS responded within 11 days of receiving the evaluation letter. The deficiency was addressed but issuing civil penalties remains a concern.

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

Evaluator Notes:

A seminar was held in 2017 and 2019. The next seminar will need to be conducted in 2022.

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

Evaluator Notes:

ORS uses federal standard form which includes this question. It is the first question on the form.

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

Evaluator Notes:

The ORS's webpage was reviewed. It provides a good source of communication with stakeholders. The ORS has added a drop box for access to all of the inspection forms used by the ORS. The ORS staff also makes presentations at local Utility Coordinating Committee meetings and the annual CPGA and SGA meetings.

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

Evaluator Notes:

The PDM did not list any SRCR's during 2020 and did not show any still open from previous years.

- 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:

There were no known instances where the ORS did not respond.

- 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:

The ORS has one active waiver concerning the use of high pressure PE pipe that was not covered in standards for use. The operator must comply with a condition that requires pipe samples to be removed and tested once every three years. The ORS has verified that the operator complies with this condition and reviews testing results. The operator removed sample(s) in CY2019. The next year for sampling and testing is CY2022.

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

Evaluator Notes:

Files, reports and records are kept electronically. They are easily accessible. While conducting the CY2020 Program Evaluation, the electronic records functioned well.

- 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:

The CY2021 SICT spreadsheet completed in 2020 by the ORS was reviewed. The projection showed approximately 352 inspection person years annually including approximately 70 inspection person days for Design, Testing and Construction Inspections. The email sent to ORS stated: Below is your calendar year 2020 Inspection-day requirement, along with attached state operator summary. Below is your calendar year 2021 Inspection-day requirement(s) along with your state specific operator summary.

Gas Program ? 352 days

Peer review notes ? Need to enhance construction days on large distribution operators.

General notes for all programs ?

? Is your number of construction days appropriate? (see attached construction data)

? Are you risk ranking/noting risk concerns or unique considerations?

- 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:

Excavation damages per 1000 tickets (EDT) rose slightly in 2019 versus 2017 and 2018. SC's EDT in 2020 is 3.1 which continues a 10 year downward trend. The National Average is slightly below 3. SC has initiated a committee to enhance enforcement actions. The ORS has a seat on the committee. There is a direct link to Attorneys General office to pursue prosecutions. Recently, implemented sending leak form to SC 811 so they can be put in a dashboard to analyze damages. One focus is to locate geographical areas that are problems. Inspection person days per 1000 miles reached a high point of 11.2 in 2013. Since 2013 there is a trend downward (negative direction) to 8 but the ORS continues to exceed the minimum number contained in the SICT. Inspector Qualification reached 100% in 2018 and continued at 100% through 2020. Gas Distribution System Leaks - Number of leak repairs is trending level; however, outstanding leaks to be repaired at end of year are trending upward. Operators are being more conservative in leak classification which accelerates time to repair at end of year. ORS is monitoring this issue. Enforcement - ORS has not reached 100% due to program evaluation scoring "Needs Improvement" on the lack issuing civil penalties.

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- 19** Did the state encourage and promote operator implementation of Pipeline Safety Management Systems (PSMS), or API RP 1173? This holistic approach to improving pipeline safety includes the identification, prevention and remediation of safety hazards. Info Only Info Only
Info Only = No Points
- a. <https://pipelinesms.org/>
 - b. Reference AGA recommendation to members May 20, 2019

Evaluator Notes:

The ORS included SMS on its agenda during the pipeline safety seminar attended by operators. Erin Kurilla from APGA spoke at Seminar and included SMS. Gary McDonald of TQ also presented SMS. The ORS will be holding a pipeline safety seminar in 2022. A section of the agenda will be dedicated to promoting SMS.

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

Evaluator Notes:

Question - D.7 (f) - A point deduction was given because the South Carolina has not used its civil penalty authority in the last ten years or more.

Total points scored for this section: 49
Total possible points for this section: 50



PART E - Field Inspections

Points(MAX) Score

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

Info Only = No Points

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

Evaluator Notes:

- The ORS conducted a construction inspection on a project installing 4 inch plastic main. The inspection occurred on September 28, 2021. The operator was Dominion Energy South Carolina (DESC).
- Construction inspections are conducted on a continual basis.
- DESC was represented by Brad Bratico.
- John Eglesias conducted the inspection.

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

The inspector used the ORS's INSPECTION REPORT OF NEW STEEL & PLASTIC PIPELINE CONSTRUCTION form. The form was used to progress through all of the requirements for constructing plastic distribution mains.

- 3 Did the inspector adequately review the following during the inspection 10 10

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

- Procedures (were the inspector's questions of the operator adequate to determine compliance?)
- Records (did the inspector adequately review trends and ask in-depth questions?)
- Field Activities/Facilities (did inspector ensure that procedures were being followed, including ensuring that properly calibrated equipment was used and OQ's were acceptable?)
- Other (please comment)
- Was the inspection of adequate length to properly perform the inspection?

Evaluator Notes:

- Yes, the inspector reviewed the operator's procedures for the installation of plastic mains and specifically butt fusion procedures.
- The inspector verified records for qualifications of the individuals performing the fusions for the day.
- The inspector observed job specifications, butt fusions of the 4 inch plastic pipe, the condition of the fusing equipment, the material specifications of the pipe, the condition of the pipe and the method used to string the pipe along the easement.
- None
- Yes, the time spent was appropriate.

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, the inspector was very knowledgeable of the regulatory requirements for installation of gas distribution pipeline facilities.

- 5 Did the inspector conduct an exit interview, including identifying probable violations? (If inspection is not totally completed the interview should be based on areas covered during time of field evaluation) 1 1

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, the inspector conducted an exit interview with the operator's representative on-site at the conclusion of the inspection day.

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:

- (a. The inspector attended a safety briefing from the operator and contractor at the beginning of the inspection.
 - (b. The inspector observed all aspects of stringing the plastic pipe along the easement and the butt fusion of several joints of pipe.
 - (c. None to share.
 - (d. None
-

7 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

There were no findings that resulted in the loss of points in Part E of this evaluation.

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:

During Pre-inspection activities, Annual Reports and Incident Reports are reviewed by inspectors. These are discussed with operators at the beginning of inspections. All operators reports are reviewed for accuracy. Excavation damage information on the Annual Reports is reviewed as detailed Questions F.2 and F.3.

- | | | | |
|----------|--|---|---|
| 2 | Has the state verified that the operators analyze excavation damages for the purpose of determining root causes and minimizing the possibility of a recurrence? (192.617)
Has the state verified that the operators have appropriately identified excavators who have repeatedly violated one-call laws and damaged their facilities. Have the operators taken steps to mitigate that risks? (192.1007)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|--|---|---|

Evaluator Notes:

The excavation damage data collected by the ORS is provided to SC 811. SC 811 is putting the data into a dashboard for which all operators have access. The ORS analyzes the collected data and trends the data for each operator's system. After six months of collecting the data, the ORS will schedule a visit with each operator to discuss any issues found during the collection period. The visits will focus on the four causes in the Annual Reports along with ensuring operators are developing root cause identification and developing actions to minimize damages resulting from the root causes.

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

During 2020, the ORS and SC 811 agency worked on a plan to address the damages to pipelines in South Carolina. The ORS is collecting a monthly report from each operator which is input into a database. Damages by the four categories listed on the annual reports are summarized for each operator.

- | | | | |
|----------|---|---|---|
| 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 <ol style="list-style-type: none">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? | 2 | 2 |
|----------|---|---|---|

- 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:

SC 811 provides the ORS with data and trends on damages per 1000 tickets. The ORS reviews the information and meets with SC811 to discuss the results. Enforcement committee receives the information.

- a. Fiber installation by telecommunications companies is causing the most damages in South Carolina.
- b. Operators identifies problem stakeholders that need training. SC 811 is notified of the problem stakeholders. SC 811 schedules training with the stakeholder(s) and provides training with operator participation.
- c. Contractors utilizing horizontal directional drilling are not "pot holing" enough to locate the pipeline prior to crossing it. Excavators define the area of excavation ("white lining") on too large of a scale which inhibits the ability to maintain marks and communicate timing and location of their excavation activities.
- d. Yes, operators coordinate with SC 811 to provide training that focuses on the causes of excavation damage.

5 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

There were no findings that resulted in a loss of points in Part F of this evaluation.

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



PART G - Interstate Agent/Agreement States

Points(MAX) Score

- 1 Were all inspections of interstate pipelines conducted using the Inspection Assistant program for documenting inspections? Info Only Info Only
Info Only = No Points

Evaluator Notes:

The ORS is not an interstate agent.

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

Evaluator Notes:

The ORS is not an interstate agent.

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

Evaluator Notes:

The ORS is not an interstate agent.

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

Evaluator Notes:

The ORS is not an interstate agent.

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

Evaluator Notes:

The ORS is not an interstate agent.

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

Evaluator Notes:

The ORS is not an interstate agent.

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