



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

VIRGINIA STATE CORPORATION 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: Virginia

Agency Status:

Date of Visit: 09/13/2021 - 09/16/2021

Agency Representative: Scott Marshall, Program Manager

PHMSA Representative: Agustin Lopez, State Evaluator

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

Name/Title: Judith Williams Jagdmann, Chair

Agency: Virginia State Corporation Commission

Address: 1300 E. Main St.

City/State/Zip: Richmond, VA 23219

Rating:

60105(a): Yes **60106(a):** Yes **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	14
10	10
50	49
15	15
10	10
0	0
100	98

TOTALS

State Rating **98.0**

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. Reviewed VSCC data and compared with PDM operators. Inspection and operator data are accurate.
- b. Reviewed VSCC data (SQL) to verify inspection days on Attachment 2. Time was also verified thru Time Sheet binder.
- c. Verified operators on Attachment 3 with annual reports in PDM.
- d. There was one reportable incident in PDM which the VSCC investigated.
- e. Reviewed compliance actions to verify numbers submitted in progress report.
- f. Records kept by the VSCC are listed in Attachment 6.
- g. Verified qualifications with T&Q Blackboard.
- h. The VSCC has automatic adoption of the federal regulations.
- i. The VSCC has documented planned performance and accomplishments.

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



- | | | | |
|---|---|---|---|
| 1 | Do written procedures address pre-inspection, inspection and post inspection activities for each of the following inspection types: Chapter 5.1
Yes = 5 No = 0 Needs Improvement = 1-4 | 5 | 5 |
|---|---|---|---|
- a. Standard Inspections, which include Drug/Alcohol, CRM and Public Awareness Effectiveness Inspections
 - b. TIMP and DIMP Inspections (reviewing largest operator(s) plans annually)
 - c. OQ Inspections
 - d. Damage Prevention Inspections
 - e. On-Site Operator Training
 - f. Construction Inspections (annual efforts)
 - g. LNG Inspections

Evaluator Notes:

Section 5, of the State Program Procedures, page 18, describes all Pre-inspection, inspection and post inspection guidelines.

Maximum intervals for standard inspections pg. 20

Section 5.B details procedures for conducting an inspection

Pre-inspection

Inspection

Post-inspection

- | | | | |
|---|--|---|---|
| 2 | Do written procedures address inspection priorities of each operator, and if necessary each unit, based on the following elements and time frames established in its procedures? Chapter 5.1
Yes = 4 No = 0 Needs Improvement = 1-3 | 4 | 4 |
|---|--|---|---|
- a. Length of time since last inspection
 - b. Operating history of operator/unit and/or location (includes leakage, incident and compliance activities)
 - c. Type of activity being undertaken by operators (i.e. construction)
 - d. Locations of operator's inspection units being inspected - (HCA's, Geographic area, Population Centers, etc.)
 - e. Process to identify high-risk inspection units that includes all threats - (Excavation Damage, Corrosion, Natural Forces, Outside Forces, Material and Welds, Equipment, Operators and any Other Factors)
 - f. Are inspection units broken down appropriately?

Evaluator Notes:

The VA SCC utilizes a risk model which contemplates numerous operator data points, including but not limited to miles of pipe by facility type, material, numbers of services, performance factors including leak rates, outside force, earth movement, etc. For a full list the risk model and its logic are described in detail Section 5.A "Annual Risk-Based Inspection Schedule" on Page 22 of the State's program procedures.

Section 5.B of the URS Procedures, page 27, describes all Pre-inspection, inspection and post inspection guidelines, which are utilized for inspection prioritization scheduling.

Appendix No. 4 10-Year Inspection Plan pages 81

Section E, Design Testing and Construction Pg. 35

LCP lists available for review in PIPES and SP

Daily Location Sheets- available in Microsoft Outlook Pipeline Safety Folder and Operator SharePoint sites

Inspection Units are managed in PIPES and can be queried by PowerBi

Division Inspection Risk Model

PHMSA Interstate Inspection Agreements

Inspection Units are reviewed annually

- | | | | |
|---|---|---|---|
| 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 | 2 |
| | Yes = 3 No = 0 Needs Improvement = 1-2 | | |
| | <ul style="list-style-type: none"> a. Procedures to notify an operator (company officer) when a noncompliance is identified b. Procedures to routinely review progress of compliance actions to prevent delays or breakdowns c. Procedures regarding closing outstanding probable violations | | |

Evaluator Notes:

State Program Procedures, Section 5.B.5 "Post-Inspection Actives" Pgs. 31, the Division has weekly and month SQL Db canned reports showing open inspections, open investigations, etc. to assist in the management team tracking the progress of inspection/investigation work production. Appendix No. 5 of the State Program Procedures. Additionally, Enforcement utilizes SharePoint to track when Investigations and finalized and approved by the PM to OGC to process for enforcement.

Additionally, the canned reports show if a Notice of Investigation has been generated within the timeframe for compliance with the 2016 PIPES Act. Additionally, the state program enforcement procedures are listed in the Program Procedures Appendix No. 6. See Open Investigation Canned Report in Microsoft Outlook

The VA SCC Pipeline Safety Enforcement Procedures do not include a brief description of enforcement proceedings and when each type will be recommended as required per State Guidelines section 5.1(5). The VA SCC must amend their procedures to include description of each type of enforcement proceedings, such as Notice of Probable Violation, Warning Letter, Letter of Concern, and Notice of Amendment and a recommendation of when each type should be issued.

The VA SCC State Program Procedures do not include time limits for processing probable compliance/enforcement actions as required per State Guidelines section 5.1(3)(c). The VA SCC needs to amend their procedures to include time limits for processing compliance cases.

There was a one point deduction for compliance procedures issues.

- | | | | |
|---|---|---|---|
| 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 | | |
| | <ul style="list-style-type: none"> 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:

Section Q- Discusses State Program On-Call Process, Pg. 57
Appendix No. 7, Section VI (E). "DOT-NTSB Memorandum of Understanding ("MOU")", Pg. 103
Appendix No 7, Section VI (A) to (D) details the cooperative investigating efforts, pg. 101
Section 7, VII, SCC Response to Incidents and Accidents, details follow up actions necessary to obtain additional information if a response is not necessary or unable (manpower) to occur. Pg. 107

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

Evaluator Notes:

Issues identified:

B-3: The VA SCC State Program Procedures do not include time limits for processing probable compliance/enforcement actions as required per State Guidelines section 5.1(3)(c). The VA SCC needs to amend their procedures to include time limits for processing compliance cases.

B.3-The VA SCC Pipeline Safety Enforcement Procedures do not include a brief description of enforcement proceedings and when each type will be recommended as required per State Guidelines section 5.1(5). The VA SCC must amend their procedures to include description of each type of enforcement proceedings, such as Notice of Probable Violation, Warning Letter, Letter of Concern, and Notice of Amendment and a recommendation of when each type should be issued.

There was a one point deduction for compliance procedures issues.

Total points scored for this section: 14
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. Yes, verified training requirements with T&Q Blackboard and reviewed inspection reports to verify lead inspectors were qualified to lead inspections.
- b. Yes all DIMP/IMP lead inspectors were qualified to lead inspections.
- c. Yes all LNG inspectors are LNG qualified.
- d. Yes inspectors have taken the Root Cause Analysis training.
- e. VSCC at times may provides outside training.
National Association of Fire Investigators, Certified Fire and Explosions Investigator-Recertification Scott Marshall, certification
Certification Jimmy Maass
Picaro/TRC Advance Leak Detection Presentation; 5/13/2021
- f. Yes, reviewed inspection reports to verify lead inspectors were qualified.

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

- Yes, Scott Marshall is very knowledgeable of the pipeline safety rules and regulations.

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

Evaluator Notes:

- The VSCC is mainly complying with Part C of the Evaluation.

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

PART D - Program Performance

Points(MAX) Score

- | | | | |
|---|---|---|---|
| 1 | Did state inspect all types of operators and inspection units in accordance with time intervals established in written procedures? Chapter 5.1
Yes = 5 No = 0 Needs Improvement = 1-4 | 5 | 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, all scheduled/required inspections were completed. See PIPES inspection reporting software. These include Federal Inspection Forms, IA equivalents and associated checklist.

Additionally, Section 5, "Inspections", Appendix No. 4 of the State "10-Year Inspection Plan" of the State Program Procedures and applicable PHMSA Interstate Agreement Inspections Plans.

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

The VASCC only uses IA for its comprehensive inspection forms, F1, F2, F3, F4, IM, DIMP, etc. completed forms are exported from IA and loaded as exhibits in the applicable PIPES inspection report. VA SCC staff utilize IA directives for applicable inspections listed above and in conjunction with PIPES construction inspection activity functions.

Reviewed randomly selected inspection reports to verify completion of inspections.

- | | | | |
|---|--|---|---|
| 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 VA SCC performed OQ HQ inspections and Protocol 9 field inspection during random field inspections to verify knowledge, skills, and abilities of covered employees in accordance with Section F of Pipeline Program Procedures. Completed Form 15s are loaded as PIPES exhibits.

- 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 2 2

Yes = 2 No = 0 Needs Improvement = 1

- 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:

The VA SCC performed GT and HL IM program inspections in accordance with Section I of the program's procedures.

Additionally, the Program Manager requests annually information from each transmission operator. Amongst other things this request is for all planned IMP activities, ILI launches, integrity digs, direct examinations, planned replacements, and/or repairs. Projected work is tracked by the Program Manager in the shared TIMP@scc.virginia.gov calendar and scheduled to be inspected by qualified Staff.

As staff becomes aware of IM activities, conditions, or examinations these are added on an adhoc basis

-
- 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 2 2

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:

The VA SCC performs NTSB Supplemental Question Sets annually of each operator per Section 5 of the programs procedures.

-
- 6 Did the State verify Operators took appropriate action regarding advisory bulletins issued since the last evaluation? (Advisory Bulletins Current Year) 1 1

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

The VA SCC asks applicable ADBs to each operator during standard inspections per Section 5 of the procedures, in addition, when new ADBs are issued they are shared through URS Safety Alert Emails.

7	(Compliance Activities) Did the state follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? Chapter 5.1	10	9
---	--	----	---

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

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

Evaluator Notes:

State Program Procedures, Section 5.B.5 "Post-Inspection Actives" Pgs. 31 defines the appropriate follow up actions following the inspection phase and into the investigation phase.

The state program has weekly, monthly, and on demand SQL Db canned reports from its PIPES reporting software. These reports amongst other things, show open inspections, open investigations, etc. to assist in the management team tracking the progress of inspection/investigation work production.

Additionally, canned reports show if a Notice of Investigation has been generated within the timeframe for compliance with the 2016 PIPES Act. See Open Investigation Canned Report

State Program Procedures Appendix No. 6. Specifies the state program enforcement procedures

Progress of probable violations are routinely reviewed through canned reported distributed to Staff and management. Further, the Division's SharePoint Site tracks the compliance/enforcement actions for the enforcement team. Updates on enforcement are provided to the Program Manager from OGC and the enforcement analyst. Updates are also provided to the pipeline safety team during the regular staff meetings.

In reviewing randomly selected inspection reports there seems to be a delay or breakdown on issuing/processing of compliance actions. During the review of the inspection reports there were several inspections that were open for over a year. The delay or breakdown seems to be in OGC reviewing the compliance actions which at times has taken several months to over a year to issue. In addition, at the time of the Program Evaluation there were inspections still open that were conducted in 2020. The VA SCC needs to improve on the time frame in processing/issuing compliance actions in order to close inspections in a timely manner. In consideration of the pandemic, there was only a one point deduction instead of three points for this issue.

8	(Incident Investigations) Were all federally reportable incidents investigated, thoroughly documented, with conclusions and recommendations?	10	10
---	--	----	----

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

- a. Does state have adequate mechanism to receive and respond to operator reports of incidents, including after-hours reports?
- b. Did state keep adequate records of Incident/Accident notifications received?
- c. If onsite investigation was not made, did the state obtain sufficient information from the operator and/or by means to determine the facts to support the decision not to go on site?
- d. Were onsite observations documented?
- e. Were contributing factors documented?

- f. Were recommendations to prevent recurrences, where appropriate, documented?
- g. Did state initiate compliance action for any violations found during any incident/accident investigation?
- h. Did state assist Region Office or Accident Investigation Division (AID) by taking appropriate follow-up actions related to the operator incident reports to ensure accuracy and final report has been received by PHMSA?
- i. Does state share any lessons learned from incidents/accidents?

Evaluator Notes:

The State Program has procedures for investigating accidents and incidents as applicable to GT/HL and significant events that do not meet federal reporting criteria:

Section Q- Discusses State Program On-Call Process, Pg. 57

Appendix No. 7, Section VI (E). "DOT-NTSB Memorandum of Understanding ("MOU")", Pg. 103

Appendix No 7, Section VI (A) to (D) details the cooperative investigating efforts, pg. 101

Section 7, VII, SCC Response to Incidents and Accidents, details follow up actions necessary to obtain additional information if a response is not necessary or unable (manpower) to occur. Pg. 107.

In addition, Staff coordinated with PHMSA AID, PHMSA ER and HQ relative to reportable events (sheens, fires, etc.) and coordinated on the finalization of reports.

Division Staff attends various meetings where lessons learned are shared, including LDC/SCC, Pipeline Safety Conferences, NASPR Meetings, operator/contractor safety stand downs etc. where lessons learned are shared. In addition, the state program distributes the Division's Safety Newsletters to all Virginia Operators and shared PHMSA ADB/Alerts to all operators. See PHMSA Incident Reports Follow-Up Actions Binder.

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

Response was not necessary

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

Staff conducted a virtual pipeline safety training session on October 21, 2021 due to the COVID-19 pandemic. It was attended by 160 operator representatives, PHMSA, and other stakeholders. Topics included the NTSB report on the Silver Spring, Maryland explosion, PHMSA and State responses, a presentation from the Virginia State Police Fusion center on eco-terrorism targeting pipelines, cyber security, and the anti-pipeline movement, the new Gas Implementation Rule, and other topics.

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

Staff reviews NPMS Data of all operators during standard inspections and review of annual reports for mileage changes. In addition, Staff utilizes NPMS data during accident and incident response in coordination with PHMSA AID. During this year Staff has not noted any inconsistencies or major changes to NPMS since the addition of the VNG Southside Connector Project in June 6, 2019. Staff did discover a segment of non-reported interstate pipeline operated by TransCanada providing service to the intrastate power generation facility which operates a short segment of intrastate metering and regulation. This was reported to PHMSA ER who worked with TransCanada to correct.

-
- | | | | |
|-----------|--|---|---|
| 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 State has the following mechanisms for communicating with stakeholders, other than state pipeline safety seminar-Division Pipeline Safety Newsletter, e-mail alerts, state website, executive meetings, operator trainings upon request, SCC/LDC meeting, etc.

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

There were no SRC Reports for any Operator under the state programs inspection authority during this evaluation period. Staff notes that an SRC was reported to PHMSA for Columbia Gas Transmission/TransCanada/TC Energy in Virginia in 2020, this operator is under PHMSA inspection and enforcement authority (SRC 21-213413)

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

Evaluator Notes:

The Program Manager responds to all NAPSRS and PHMSA surveys and information requests from PHMSA.

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

Evaluator Notes:

The State has not issued any waiver/special permits since 1999 with Virginia Natural Gas for MLV spacing on its JUP Transmission Line in response to a VDOT interchange project.

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

Evaluator Notes:

The state program's inspection, investigation, and enforcement system of record is PIPES. Additional files used to support these activities also exist digitally on the Commission's SharePoint site and digital files. All are backed up through the Commissions IT Division processes.

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

Evaluator Notes:

The state program has updated the SICT tool prior to the requested due date. The SCIT submittal verifies the State Program has ample staffing to cover the standard inspection needs of its operators.

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

Evaluator Notes:

The State Program Performance Metrics are reviewed regularly by the Program Manager and Program Personnel. Additionally, the program metrics are also reproduced and published on the Program's website and updated late in the year following completed and supplemental annual reports are received by PHMSA and additional information from intrastate operators

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

- b. Reference AGA recommendation to members May 20, 2019

Evaluator Notes:

The State Program was the first state to place Operators under Order to require PSMS in 2016, including the assessment of PSMS Gap Analysis.

VA SCC staff performed inspections of these PSMS programs in 2017 and 2019. A next round of reviews are tentatively planned in 2022.

VA SCC staff track the PSMS implications of non-compliances during investigations, including toleration of System resources, compliancy, normalization of deviance, and other SMS factors.

20 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

Issue Identified:

D.7-In reviewing randomly selected inspection reports there seems to be a delay or breakdown on issuing/processing of compliance actions. During the review of the inspection reports there were several inspections that were open for over a year. The delay or breakdown seems to be in OGC reviewing the compliance actions which at times has taken several months to over a year to issue. In addition, at the time of the Program Evaluation there were inspections still open that were conducted in 2020. The VA SCC needs to improve on the time frame in processing/issuing compliance actions in order to close inspections in a timely manner. In consideration of the pandemic, there was only a one point deduction instead of three points for this issue.

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:

Operator: Columbia Gas (Distribution)
Inspectors(s): Greg McDonald and Chris Delisle
Location(s): Fredericksburg, VA and Chesterfield County, VA
Date(s): 9/ 21 & 23/2021
PHMSA Rep.: Clint Stephens

The inspectors conducted a construction inspection. Columbia Gas installed new gas service lines. The pipeline operator was present during the inspection.

- 2 Did the inspector use an appropriate inspection form/checklist and was the form/checklist used as a guide for the inspection? (New regulations shall be incorporated) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes. The inspectors used a construction checklist as a guide, and the information was transferred to their PIPES database.

- 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:

The inspectors reviewed welder qualification procedures; welding procedures; and OQ records of contractors. The inspectors observed welding of tapping tee on steel main; HDD of service line; anode installation on steel main; electrofusion of tapping tee on plastic main; and pressure test of service line. The inspection was of adequate length to properly perform the inspection.

- 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:

From my observation the inspectors had adequate knowledge of the pipeline safety program and regulations.

- 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:

The inspectors did not conduct an exit interview at the time of the field evaluation; however the operator was made aware of any issues identified on site at the time of discovery.

-
- 6** Was inspection performed in a safe, positive, and constructive manner ? Info Only Info Only
Info Only = No Points
- a. No unsafe acts should be performed during inspection by the state inspector
 - b. What did the inspector observe in the field? (Narrative description of field observations and how inspector performed)
 - c. Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices)
 - d. Other

Evaluator Notes:

The inspections were performed in safe, positive, and constructive manner. The inspectors did an excellent job in the field inspecting welding, fusing, anode installation, and pressure testing of pipe. The inspectors did a great job of reviewing welding procedures and OQ records.

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

Evaluator Notes:

There were no issues identified in Part E of the 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:

The State program reviews the annual DOT reports of operators during the annual information request approximately March of each year. This is reviewed for trends and comparisons to other operators and the State Program's damage data trends. When conducting applicable inspections such as F1, F2, IM program inspections, etc. Division damage data and both internal and operator annual reports are reviewed Via PDM or via local copies submitted to the State Program.

Annual report data is also supplied as a weighted variable in the Division's risk model.

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

Each and every pipeline operator is under Commission Order to report all pipeline damages and Disturbances to the State Program under URS-2020-00439.

"In order to further implement the Commission's enforcement authority under the Act, the Commission hereby orders that, effective January 1, 2021, Virginia jurisdictional gas and hazardous liquid operators shall report to the Commission all probable violations of the Act,2 and any incident involving damage, dislocation, or disturbance of any gas or hazardous liquid pipeline on the Commission's DPA-1 Incident Report Form Revised December 2020 ("DPA-1")."

Each submitted DPA requires supporting evidence including picture, photographs, sketches, and the operator's failure investigation. Should there be issues with the failure investigation or supporting documentation, pipeline safety inspectors are forwarded the issue for inspection/investigation. If probable violations are discovered action is taken under the applicable damage prevention, failure investigations, or procedural citations under the pipeline safety code sections.

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

Evaluator Notes:

The State program reviews the annual DOT reports of operators during the annual information request approximately March of each year. This is reviewed for trends and comparisons to other operators and the State Program's damage data trends. When conducting applicable inspections such as F1, F2, IM program inspections, etc. Division damage data and both internal and operator annual reports are reviewed Via PDM or via local copies submitted to the State Program.

Annual report data is also supplied as a weighted variable in the Division's risk model.

The state program reviews annual report data long with more detailed and aggregate state data on damages for trends. Power BI queries on damage cause, damage root cause, work done for, locating, geographical area, etc.

Based on a review of annual reports and state program data, two operators, Columbia Gas of Virginia and Washington Gas Light Co. have an upward trend in "operator failures" per the State Programs damage data. A meeting has occurred in 2021 based on their upward trend. This includes locate failures and mapping. During a further review staff identified locate failures of their shared contract locator. An action plan by the operators and a follow up review is ongoing at the time of this audit.

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
	<ul 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? 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:

The state program reviews annual report data long with more detailed and aggregate state data on damages for trends. See Power BI queries on damage cause, damage root cause, work done for, locating, geographical area, etc.

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

Evaluator Notes:

The VSCC is mainly complying with Part F of the Evaluation.

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

PART G - Interstate Agent/Agreement States

Points(MAX) Score

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

Evaluator Notes:

Yes, all Interstate inspections were conducted using IA, all planned questions were answered and required forms/documents were complete.

- 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:

Notification that inspection was complete and notice of all probable violations identified was provided on time.

- 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:

Notification that inspection was complete was provided on time, none included conditions that posed 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:

VA SCC coordinates with PHMSA prior to inspections commencing.

- 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 VA SCC cooperates with PHMSA during incident notifications and investigations. Updates are supplied to PHMSA on all major and high profile incidents.

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

Evaluator Notes:

The VSCC is mainly complying with Part G of the Evaluation.

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