



U.S. Department  
of Transportation  
**Pipeline and Hazardous  
Materials Safety  
Administration**

1200 New Jersey Avenue SE  
Washington DC 20590

# 2021 Gas State Program Evaluation

for

NEBRASKA PIPELINE SAFETY DIVISION

## 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



# 2021 Gas State Program Evaluation -- CY 2021

Gas

**State Agency:** Nebraska

**Agency Status:**

**Date of Visit:** 05/16/2022 - 05/18/2022

**Agency Representative:** David Levering, Chief Deputy State Fire Marshal

**PHMSA Representative:** Agustin Lopez, PHMSA State Evaluator

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

**Name/Title:** Christopher Cantrell, State Fire Marshal

**Agency:** Nebraska State Fire Marshal's Office

**Address:** 246 South 14th Street, Suite 1

**City/State/Zip:** Lincoln, NE 68508

**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 2021 (not the status of performance at the time of the evaluation). A deficiency in any one part of a multiple-part question should be scored as "Needs Improvement." Determine the answer to the question then select the appropriate point value. If a state receives less than the maximum points, include a brief explanation in the appropriate notes/comments section. If a question is not applicable to a state, select NA. Please ensure all responses are COMPLETE and ACCURATE, and they OBJECTIVELY reflect the state's program performance for the question being evaluated. Increasing emphasis is being placed on how the state pipeline safety programs conduct and execute their pipeline safety responsibilities (their performance). This evaluation, together with selected factors reported in the state's annual progress report attachments, provide the basis for determining the state's pipeline safety grant allocation.

## Scoring Summary

### PARTS

### Possible Points Points Scored

- A Progress Report and Program Documentation Review
- 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

0  
15  
10  
50  
15  
10  
0

0  
15  
10  
49  
15  
10  
0

### TOTALS

100 99

**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. Verified operator data with PDM and state files and database.
- b. Reviewed state files of inspector recorded time to verify inspector days.
- c. Reviewed PDM along with state data to verify operator data.
- d. There was one reportable incident in NE in 2021 which was investigated by the NESFM.
- e. Compliance carry over are steadily rising, recommend to try to keep carry over low to avoid future delays in processing cases.
- f. NE SFM keeps records of inspection reports and operator data.
- g. Verified inspector training with TQ Blackboard.
- h. Have adopted all regulations within 2 years. Only issue is not adopted civil penalty amounts. Process of adoption was discussed.
- i. Performance and damage prevention initiatives are listed in attachment 10. Plan to have two inspectors fully trained. Converted inspection forms into new program APX.

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



## PART B - Program Inspection Procedures

Points(MAX) Score

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

### Evaluator Notes:

Sections E and F of Inspection Plan address inspection procedures which include pre and post inspection activities. The procedures give guidance to inspectors on how to perform each type of inspection.

- a. Yes, standard, Drug and Alcohol, and Public Awareness inspections are included in the procedures.
- b. Yes, TIMP and DIMP inspections are included in the procedures.
- c. Yes, OQ Inspections are included in the procedures.
- d. Damage Prevention inspections are included in the procedures.
- e. On-site training inspections are included in the procedures.
- f. Construction inspections are included in the procedures.
- g. Yes, LNG inspections are included in the procedures.

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

### Evaluator Notes:

Yes, Section E.2 and E.3 of NE SFM Pipeline Safety Section-Inspection Plan has procedures that address the frequency of each type of inspection. Risk based analysis is established to prioritize inspections based on length of time since last inspection, history of unit, significant events, size of operator, HCAs, and compliance history. Units are broken down appropriately to be able to conduct a through inspection.

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

### Evaluator Notes:

Section H addresses Compliance Action procedures and the steps from discovery to resolution of a probable violation. Section H6. Monitoring of Pending Actions gives guidance for tracking compliance actions

- 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:

Section G.3 has mechanism to receive any natural gas release and gives guidance on inspectors/investigators on how to respond.

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5 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

The NE SFM is mainly complying with Part B of the Evaluation.

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



## PART C - State Qualifications

Points(MAX) Score

- |   |   |   |   |
|---|---|---|---|
| 1 | Has each inspector and program manager fulfilled training requirements? (See Guidelines Appendix C for requirements) Chapter 4.3<br>Yes = 5 No = 0 Needs Improvement = 1-4  | 5 | 5 |
|   | <ul style="list-style-type: none"><li>a. Completion of Required OQ Training before conducting inspection as lead</li><li>b. Completion of Required DIMP/IMP Training before conducting inspection as lead</li><li>c. Completion of Required LNG Training before conducting inspection as lead</li><li>d. Root Cause Training by at least one inspector/program manager</li><li>e. Note any outside training completed</li><li>f. Verify inspector has obtained minimum qualifications to lead any applicable standard inspection as the lead inspector (Reference State Guidelines Section 4.3.1)</li></ul> |   |   |

Evaluator Notes:

Verified training in TQ Blackboard. Root Cause course has been taken by inspectors. Reviewed inspection reports to verify lead inspectors are qualified to lead each type of inspection.

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

Evaluator Notes:

Yes, David Levering is knowledgeable of the pipeline safety program and regulations.

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

Evaluator Notes:

The NE SFM 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<br>Yes = 5 No = 0 Needs Improvement = 1-4  | 5 | 4 |
|   | <ul style="list-style-type: none"><li>a. Standard (General Code Compliance)</li><li>b. Public Awareness Effectiveness Reviews</li><li>c. Drug and Alcohol</li><li>d. Control Room Management</li><li>e. Part 193 LNG Inspections</li><li>f. Construction (did state achieve 20% of total inspection person-days?)</li><li>g. OQ (see Question 3 for additional requirements)</li><li>h. IMP/DIMP (see Question 4 for additional requirements)</li></ul> |   |   |

### Evaluator Notes:

Reviewed randomly selected inspection reports to verify all inspection types were conducted at an interval established by the NE SFM procedures and not to exceed 5 years per the State Guidelines. In the review it was found that two operators did not meet the inspection intervals as per the procedures. Fremont Department of Utilities O&M inspection was last conducted in 2015. Metropolitan Utilities District LNG Unit O&M and Standard inspections were last conducted in 2017. There was a 1 point deduction due to not meeting the inspection intervals.

- |   |   |    |    |
|---|---|----|----|
| 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?<br>Yes = 10 No = 0 Needs Improvement = 1-9 | 10 | 10 |
|   | <ul style="list-style-type: none"><li>a. Standard (General Code Compliance)</li><li>b. Public Awareness Effectiveness Reviews</li><li>c. Drug and Alcohol</li><li>d. Control Room Management</li><li>e. Part 193 LNG Inspections</li><li>f. Construction</li><li>g. OQ (see Question 3 for additional requirements)</li><li>h. IMP/DIMP (see Question 4 for additional requirements)</li></ul>  |    |    |

### Evaluator Notes:

Yes, reviewed randomly selected inspections and all forms used covered all applicable codes for the type of inspections.

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|---|--|---|---|
| 3 | Is state verifying monitoring (Protocol 9/Form15) of operators OQ programs? This should include verification of any plan updates and that persons performing covered tasks (including contractors) are properly qualified and requalified at intervals established in the operator's plan. 49 CFR 192 Part N<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

### Evaluator Notes:

Yes, the NESFM conducts OQ Plan inspections and field inspections to assure operators are in compliance with regulations.

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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 Subparts O and P<br>Yes = 2 No = 0 Needs Improvement = 1  | 2 | 2 |
|   | <ul style="list-style-type: none"><li>a. Are the implementation plans of the state's large/largest operators(s) being reviewed annually to ensure they are completing full cycle of the IMP process?</li><li>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?</li></ul> |   |   |

- c. Are the states verifying operators are including low pressure distribution systems in their threat analysis?

Evaluator Notes:

Yes, the NESFM conducts IMP inspections to assure operators are in compliance with the regulations.

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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 | 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:

Questions are in inspection forms and on Form 15.5 Annual Report Review. Need to assure the most current NTSB recommendations (low pressure and meters inside buildings) are discussed and documented with operators to assure they are considering the NTSB recommendations. Two operators with low pressure systems. MUD and Northwestern Energy are working to eliminate low pressure systems and converting to higher pressure.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Discuss advisory bulletins during seminars. PHMSA provided update during February 8-10, 2022 Seminar. Two operators with low pressure systems. MUD and Northwestern Energy are working to eliminate low pressure systems and converting to higher pressure.

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

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:

- a. Yes, reviewed files to assure compliance actions are sent to company/govt officials.
- b. Yes, reviewed files to assure probable violations are being documented properly.
- c. Yes, probable violations are being resolved.
- d. Yes, inspectors and program manager review progress of compliance actions.
- e. Yes, reviewed random inspection reports to verify all non compliance issues discovered were resolved.
- f. Yes, NE has issued civil penalties recently.
- g. Yes, the program manager signs and monitors all compliance correspondence.
- h. Yes, NE gives operators due process.
- i. Yes,

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

Yes, all reportable incidents were investigated by the NE SFM and well documented.

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
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Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, the NE SFM responded within the required 60 days.

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

Evaluator Notes:

Yes the last seminar was held on Feb 8-10, 2022. PHMSA was present at the seminar.

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

Evaluator Notes:

Yes, the question is part of the inspection form which was verified during the inspection report review.

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

Evaluator Notes:

Website provides pipeline safety information. Once cases are closed they are viewable to the public.

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| <b>13</b> | Did state execute appropriate follow-up actions to Safety Related Condition (SRC) Reports? Chapter 6.7<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|-----------|---|---|---|

Evaluator Notes:

There were no SRCR in NE in 2021.

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

Evaluator Notes:

Yes, Respond to NAPSRS and PHMSA surveys and requests

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

Evaluator Notes:

There are no open waivers which require follow up actions.

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

The NE SFM is in process of improving their record retention files to improve accessibility and organization.

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

Evaluator Notes:

SICT is completed every year and reviewed to assure data is accurate and reflects the NE SFM inspections days. There are no issues or concerns with the SICT.

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

Evaluator Notes:

Reviewed State Performance Metrics. No issues with negative trends. Damages per 1,000 are below the national average.

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

Evaluator Notes:

Had presentation during 2022 Seminar on Pipeline Safety Management Systems to inform and educate the operators on using and implementing.

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**20**      General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

The following are issues identified:

D.1-Reviewed randomly selected inspection reports to verify all inspection types were conducted at an interval established by the NE SFM procedures and not to exceed 5 years per the State Guidelines. In the review it was found that two operators did not meet the inspection intervals as per the procedures. Fremont Department of Utilities O&M inspection was last conducted in 2015. Metropolitan Utilities District LNG Unit O&M and Standard inspections were last conducted in 2017. There was a 1 point deduction due to not meeting the inspection intervals.

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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:

City of Stromsburg  
Kevin Bumgardner, Deputy-NE SFM  
Agustin Lopez, State Evaluator, PHMSA  
Virtual Inspection  
April 26-27, 2022

- Inspection of O&M Manual Procedures.
- Last inspected in 2019
- Yes, operator representative was present during the inspection.
- Kevin Bumgardner has not been evaluated.

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

Yes = 2 No = 0 Needs Improvement = 1

### Evaluator Notes:

Yes, the inspector utilized an IA equivalent form as a guide and to document the results of the inspection.

- 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:

- Mr. Kevin Bumgardner reviewed the operator O&M Procedures to determine compliance with the regulations.
- Records were not reviewed during the inspection.
- There was no field inspection conducted for this type of inspection.
- No other inspection activities.
- Yes, the length of the inspection was adequate.

- 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, Kevin Bumgardner has been with the SFM for about 7 years and is knowledgeable 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:

Yes, an exit interview to discuss findings or issues was conducted at the conclusion of the inspection. The following were issues identified:

1. Amend O&M Section 12.6 to change damage cost from \$50,000.00 to 122,000.00 per current 191 regulation.
2. Recommend supplemental report includes reference by date and subject of the original report
3. Recommend Section 12.8 to include training on safety related conditions
4. Amend Section 2.4 to document periodic reviews of processes with justification
5. Amend Section 4.2 to include material marking and location where to find information.
6. Recommendation to include public officials' responsibilities in training.
7. Amend Division 3 to include steps for reviewing an employee's activity to determine whether the procedures were effectively followed.
8. Amend Section 8.1 to API 1104 incorporated by reference and not current edition.
9. Amend Damage Prevention and PAP Mailers to include EFV information, marking standards and location of information, and to include 49 CFR 196- 911 requirements

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- 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 inspection was conducted in a safe, positive and constructive manner.

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

Evaluator Notes:

Mr. Kevin Bumgardner was the lead inspector while conducting an inspection of the City of Stromsburg O&M Manual inspection. He conducted himself very professionally and performed a thorough inspection.

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



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

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

**Evaluator Notes:**

Yes, the NE SFM conducts Annual Report reviews as part of their annual inspections. Inspection form has been created to document review. Very good process to conduct this type of reviews.

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

**Evaluator Notes:**

Yes NE passed a law in 2019 (Title 155, Chapter 1 and 2) that requires the operator to report any unintended release of gas caused by Natural Force, Outside Force, Over Pressurization, Excavation, and some criteria on evacuations as well. This helps in investigating and analyzing the causes for recurrence or pipeline safety violations.

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

**Evaluator Notes:**

Yes, Annual Report Part D is reviewed yearly and discuss with operator. The "other" category has significantly decreased due to the implementation of the new law and the annual report reviews.

- |   |   |   |   |
|---|---|---|---|
| 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?<br>Yes = 2 No = 0 Needs Improvement = 1 <ol style="list-style-type: none"><li>a. What stakeholder group is causing the highest number of damages to the pipelines? Operator, contractor, locating company or public.</li><li>b. Has the state verified the operator is appropriately focusing damage prevention education and training to stakeholders causing the most damages?</li><li>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.</li><li>d. Has the state verified the operator is appropriately focusing damage prevention education and training to address the causes of excavation damages?</li></ol> | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

Data is gathered from the one call center. Run report only using initial ticket called in so data won't be so skewed. Get more accurate numbers, due to not counting multiple tickets due to expired ticket or other factors.

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**5** General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

The NE SFM is mainly complying with Part F of the Evaluation.

The passing of Title 155 that requires all unintended releases to be reported is an outstanding addition to helping reduce 3rd party damages by being aware of all damages and being able to investigate the root cause. This law should be an example/model for all states to follow.

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



## PART G - Interstate Agent/Agreement States

Points(MAX) Score

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

Evaluator Notes:

NE SFM is not and Interstate Agent nor has a 60106 Certification.

- 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:

NE SFM is not and Interstate Agent nor has a 60106 Certification.

- 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:

NE SFM is not and Interstate Agent nor has a 60106 Certification.

- 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:

NE SFM is not and Interstate Agent nor has a 60106 Certification.

- 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:

NE SFM is not and Interstate Agent nor has a 60106 Certification.

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

Evaluator Notes:

NE SFM is not and Interstate Agent nor has a 60106 Certification.

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