



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

OREGON PUC

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: Oregon

Agency Status:

Date of Visit: 05/19/2022 - 05/20/2022

Agency Representative: Kevin Hennessy, Chief Pipeline Safety
David Hoy, Senior Pipeline Safety Analysis
Cody Cox, Senior Pipeline Safety Analysis
Paulo Pinto, Damage Prevention Analysis

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

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

Name/Title: Megan Decker, Chair
Agency: Oregon Public Utility Commission
Address: 201 High Street SE, Suite 100
City/State/Zip: Salem, Oregon 97301-3398

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

A Progress Report and Program Documentation Review
B Program Inspection Procedures
C State Qualifications
D Program Performance
E Field Inspections
F Damage prevention and Annual report analysis
G Interstate Agent/Agreement States

Possible Points Points Scored

0 0
15 15
10 10
50 50
15 15
10 10
0 0

TOTALS

100 100

State Rating 100.0

PART A - Progress Report and Program Documentation Review

Points(MAX) Score

- 1 Were the following Progress Report Items accurate? (*items not scored on progress report) Info Only Info Only
- Info Only = No Points
- 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. Using PHMSA Portal, a review found jurisdictional authority, number of operators (17) and inspection units (40) were correct. The number of units inspected was less than previous year. No issues.
- b. Number of inspection person days were 376 and did not meet the required SICT number of 405. Construction days 83.3 met the 20% requirement level.
- c. Operators match attachment 1 & 3. No issues.
- d. No reportable incidents occurred in CY2021.
- e. Number of carry over violations were listed correctly and number to be corrected at end of CY was higher. No issues with records listed.
- f. No issues with records listed.
- g. Reviewed T&Q training records and verified 2 inspectors have attended classes and met the gas inspector qualification. Inspectors: 1-II & 1--IV. One individual is listed under Damage Prevention for two months.
- h. Adopted civil penalty amount of \$200,000 to \$2 Million.
- i. No issues with description and information was provided in each section.

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:

- a. Yes, this information is located in Oregon Public Utilities Commission Guidelines Procedures for Participating in the Pipeline Safety Program (OR PUC Procedures) Pub 3-22, in Section V, Conducting Inspection.
- b. Yes, Section V, subsection N, Integrity Management page 25.
- c. Yes, Section V, subsection I, Operator Qualification page 23.
- d. Yes, Section V, subsection M, Damage Prevention page 24.
- e. Yes, Section V, subsection L, Operator Training page 24.
- f. Yes, Section V, subsection H, Design, Testing & Construction pages 21-23.
- g. Yes, Section V, page 13.

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

Evaluator Notes:

- a. to e. Yes, these items are listed in OR PUC Procedures, Section IV, Inspection Planning, Part B, Inspection Priorities, pages 9-13.
- f. All inspection units were found broken down correctly and checked in PHMSA Portal.

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

Evaluator Notes:

- a. Yes, Section V, Inspection Planning, Part P, Notices of Probable Violations (NOPV) page 26.
- b. Yes, Section V, Conducting Inspection, Part R, Notice of Violation Tracking, page 29.
- c. Yes, Section V, Conducting Inspection, Part S, Removal or Correction of Violation page 29-30.

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

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

- a. Mechanism to receive, record, and respond to operator reports of incidents, including after-hours reports
- b. If onsite investigation was not made, do procedures require on-call staff to obtain sufficient information to determine the facts to support the decision not to go on-site.

Evaluator Notes:

a & b. Yes, Section VI, Investigation of Incidents, page 31-37.

5 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

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

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



PART C - State Qualifications

Points(MAX) Score

- | | | | |
|---|---|---|---|
| 1 | Has each inspector and program manager fulfilled training requirements? (See Guidelines Appendix C for requirements) Chapter 4.3
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 to f. Reviewed T&Q Blackboard. One inspector is category II and the other inspector is category IV. Both inspectors are gas qualified but no one is IM Qualified to lead an inspection. Program Manager has completed Root Cause course and is a Gas Standard Inspector qualified. All individuals have completed the LNG course.

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

Evaluator Notes:

Yes. Program Manager (PM) Mr. Hennessy has been with the OR PUC eighteen years. He has been the PM for 7 years.

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

Evaluator Notes:

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

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



PART D - Program Performance

Points(MAX) Score

- | | | | |
|---|---|---|---|
| 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 review of spreadsheet and inspections reports revealed all intervals were met for each operator and inspection units. The number of required inspections in accordance to the SICT Tool 408 days was not met but the number of construction days 83 exceeded the 20% requirement.

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

OR PUC continues to use PHMSA Inspection Assistance forms in conducting Standard, OQ, DIMP, TIMP, CRM, PAPEI and D&A inspections. The information is uploaded into OR PUC Huddle program along with letters to company officials. Conducted a review of inspection reports and forms and confirmed all sections were completed. No issues.

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

Yes, a review of OQ inspections confirm the agency is verifying the operator's plan are up to date and individuals performing covered task are qualified. Additionally, OQ is checked during all construction & damage prevention inspections of those individuals performing covered tasks.

- | | | | |
|---|---|---|---|
| 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
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
| | <ul style="list-style-type: none">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?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:

OR PUC considers Avista Utilities, Cascade Natural Gas and Northwest Natural Gas as the largest operators in the state.

- a. A review of inspections performed confirm this item is being covered.
b. Yes, this item is included in the IA inspection supplemental questions.
c. No low pressure systems are located in the State of Oregon.

5	Did the state review the following (these items are NTSB recommendations to PHMSA that have been deemed acceptable response based on PHMSA reviewing these items during the evaluation process): Chapter 5.1 Yes = 2 No = 0 Needs Improvement = 1	2	2
	a. Operator procedures for determining if exposed cast iron pipe was examined for evidence of graphitization and if necessary remedial action was taken;		
	b. Operator procedures for surveillance of cast iron pipelines, including appropriate action resulting from tracking circumferential cracking failures, study of leakage history, or other unusual operating maintenance condition? (Note: See GPTC Appendix G-18 for guidance);		
	c. Operator emergency response procedures for leaks caused by excavation damage near buildings and determine whether the procedures adequately address the possibility of multiple leaks and underground migration of gas into nearby buildings Refer to 4/12/01 letter from PHMSA in response to NTSB recommendation P-00-20 and P-00-21;		
	d. Operator records of previous accidents and failures including reported third-party damage and leak response to ensure appropriate operator response as required by 192.617;		
	e. Directional drilling/boring procedures of each pipeline operator or its contractor to determine if they include actions to protect their facilities from the dangers posed by drilling and other trench less technologies;		
	f. Operator procedures for considering low pressure distribution systems in threat analysis?		
	g. Operator compliance with state and federal regulations for regulators located inside buildings?		

Evaluator Notes:

- a & b. No cast iron pipe in the State of Oregon and this was confirmed via PHMSA portal.
c thru g. These items are listed in the IA form on the baseline procedures questions.

6	Did the State verify Operators took appropriate action regarding advisory bulletins issued since the last evaluation? (Advisory Bulletins Current Year) Yes = 1 No = 0 Needs Improvement = .5	1	1
---	--	---	---

Evaluator Notes:

OR PUC staff continues to provide advisory bulletin information to their operators at the bi-monthly Oregon Utility Safety Council meetings.

7	(Compliance Activities) Did the state follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? Chapter 5.1 Yes = 10 No = 0 Needs Improvement = 1-9	10	10
	a. Were compliance actions sent to company officer or manager/board member if municipal/government system?		
	b. Were probable violations documented properly?		
	c. Resolve probable violations		
	d. Routinely review progress of probable violations		
	e. Did state issue compliance actions for all probable violations discovered?		
	f. Can state demonstrate fining authority for pipeline safety violations?		
	g. Does Program Manager review, approve and monitor all compliance actions? (note: Program Manager or Senior Official should sign any NOPV or related enforcement action)		

- h. Did state compliance actions give reasonable due process to all parties?
Including "show cause" hearing, if necessary.
- i. Within 30 days, conduct a post-inspection briefing with the owner or operator outlining any concerns
- j. Within 90 days, to the extent practicable, provide the owner or operator with written preliminary findings of the inspection. (Incident investigations do not need to meet 30/90-day requirement)

Evaluator Notes:

- a. Yes, a review of inspections provided confirmed letters were sent to company officers.
- b. Yes, probable violations were documented and listed correctly in letters to operators.
- c. Yes, probable violations are resolved by operator taking action to correct the items found to be in non-compliance.
- d. Yes, program manager and inspectors routinely review cited probable violations. Operators are required to response to probable violations within a scheduled time frame.
- e. Yes, information on non-compliance issues were listed in letters to operators.
- f. Yes, last civil penalty was issued to Avista Utilities in the amount of \$40,000 in calendar year 2014.
- g. Yes, program manager reviews, approves and monitors all compliance actions.
- h. Yes, due process is provided in accordance to OR PUC Procedures.
- i. Yes, an exit interview is conducted and questions pertaining to this item is listed on the inspection form.
- j. Yes, a review of inspection reports and letters confirm the operator is provided the results of the inspection within 90 days.

8	(Incident Investigations) Were all federally reportable incidents investigated, thoroughly documented, with conclusions and recommendations? Yes = 10 No = 0 Needs Improvement = 1-9	10	10
	<ul style="list-style-type: none"> a. Does state have adequate mechanism to receive and respond to operator reports of incidents, including after-hours reports? b. Did state keep adequate records of Incident/Accident notifications received? c. If onsite investigation was not made, did the state obtain sufficient information from the operator and/or by means to determine the facts to support the decision not to go on site? d. Were onsite observations documented? e. Were contributing factors documented? f. Were recommendations to prevent recurrences, where appropriate, documented? g. Did state initiate compliance action for any violations found during any incident/accident investigation? h. Did state assist Region Office or Accident Investigation Division (AID) by taking appropriate follow-up actions related to the operator incident reports to ensure accuracy and final report has been received by PHMSA? i. Does state share any lessons learned from incidents/accidents? 		

Evaluator Notes:

- a. Yes, OR PUC Procedures in Section VI. page 33 address the mechanism to receive and respond to incidents.
- b - h. No incidents occurred in CY2021.
- g. Information on lessons learned on performing inspections and other items is presented at the NAPS Region Meeting each year.

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:

A response letter from Ms. Megan Decker, Chair was not required.

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:

Yes. Instead of having a pipeline safety seminar, the OR PUC has found the more effective means of communicating changes

in pipeline safety regulations is via the Oregon Utility Safety Council meetings. These meetings are conducted on a bi-monthly schedule. The meetings are held in Salem, Bend and Baker City, OR.

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

Yes, this is covered in the IA inspection questions.

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

Yes, this is accomplished via the OR PUC website and Oregon Utilities Safety Council Meetings with the operators.

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

Evaluator Notes:

A review of PHMSA Portal found no safety related condition reports were submitted in CY2021.

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

- a. Yes, participation in NAPSRS surveys were noted.
 - b. Yes, a review of Work Management system on May 20, 2022, found on outstanding tasks that needed to be conducted by OR PUC staff members.
-

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

No active waivers have been issued. The last waiver issued was PHMSA 2012-0323 on Avista Utilities for atmospheric corrosion.

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

Evaluator Notes:

Yes. OR PUC has converted all their inspection reports, letters and other pipeline safety documents to an electronic filing system, Huddle. This system is effective and reliable to the user and password protected.

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

A review of the SICT program was reviewed with Kevin Hennessy. He is aware of how to make changes to the program. No issues of concern with this question.

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

Conducted a review of PHMSA Portal on Oregon's metrics with Kevin Hennessy. The review found an downward trend in total leaks eliminated/repaired, hazardous leaks repaired and leak scheduled for repair. This is an improvement from the previous year.

- 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:

Yes, this is presented and discussed at the Oregon Utility Safety Committee Council meetings.

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

Evaluator Notes:

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

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



PART E - Field Inspections

Points(MAX) Score

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

Info Only = No Points

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

Evaluator Notes:

- A records inspection was conducted in Bakers City, OR with Cascade Natural Gas Company on April 26-29, 2022. The following CNG personnel were present at the inspection conducted at their office: Colby Lundstrom and Will Lindsey.
- This unit was last inspected on 12-14-2017
- Yes, see item a.
- PUC employees were present: David Hoy, Cody Cox and Paulo Pinto. Mr. Hoy was the lead inspector being observed.

- 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, Mr. Hoy was using the Federal Inspection Assistant form and entering information into the software program.

- 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, observed Mr. Hoy asking questions and recording the results into the IA form from the operator's representatives responses.
- Mr. Hoy compared the company's records to previous years on trends and asked questions to changes made to CNG procedures and records.
- During field inspection of regulators, odorization stations and valves observed Mr. Hoy checking calibration of equipment being used and operator qualification records.
- Yes the length of office and field inspection was adequate based on availability of personnel and weather conditions.

- 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, Mr. Hoy demonstrated a good working knowledge of the pipeline safety regulations. Mr. Hoy has completed all required T&Q courses and is a qualified Gas Inspector.

- 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 was conducted on the last day of the inspection. Mr. Hoy identified the following probable violations:

1. Violation 12.619 (a), CNG increased pressure at R-30 in Huntington, OR. Pressure increase from 33 to 52 on April 5, 2019. This action exceeded the MAOP established previously by the five year rule. 2. Violations 192.603 (b) Leakage survey; 3. 192.739 (a) Regulator station 4767-RS-59491 was not inspected each calendar year not to exceed 15 months; 4. Violation 192.605 (b) (1) records pertaining to business districts; 5. Violation 192.353 (a) vehicle protection on MSA at 707 King & 101 Good Avenue in Nyssa, OR; 6. Violation 192.605 (a) Valve alignment marker was not correctly marked in accordance to CNG procedures.

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, observed safety practices being followed by all CNG and OPUC personnel on all site locations. In this regard, safety vests, eye & hearing protection were used by all individuals during the review of CNG regulators, valves and odorization stations. All traffic signs and flashing lights were used on trucks when checking regulator stations along highways. Good safety practices were followed.

7 General Comments: Info Only Info Only

Info Only = No Points

Evaluator Notes:

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

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



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

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

Evaluator Notes:

Yes, Program Manager and inspectors download data from PHMSA portal website the operator's annual reports. The reports are reviewed for trends and accuracy. Data from the review is used to rank risk the operators pertaining to the type of inspections to be performed. Annual reports are reviewed with the operator during inspections and meetings conducted by OR PUC with all operators.

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

Evaluator Notes:

Yes, data downloaded from PHMSA portal site is shared with the larger operators on excavation damages in determining the root cause of the damages. The data is discussed with the operator during IM inspection and Oregon Utilities Safety Council Meetings.

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

Evaluator Notes:

- a. Yes, OR PUC continues to use PHMSA's Annual report data to review root causes of damages occurring on distribution systems. The data is imported into an Excel spread sheet and reviewed.
- b. Yes, this is reviewed after downloading the data from PHMSA's portal website.
- c. Yes, OR PUC reviewed the causes for damages in each report.
- d. Yes, this item is reviewed during construction and damage prevention drop-in inspections.
- e. Yes, this reviewed during the records review and construction inspections.
- f. The number of damages from mismark are 101.
- g. The number of damages from not locating within time requirements are 377.
- h. Yes, this is conducted and reviewed during the IMP inspection.
- i. Yes, reviewed during drop-in damage prevention inspections.
- j. Yes, this is reviewed after downloading the PHMSA's Annual Operator Reports.

- | | | | |
|---|--|---|---|
| 4 | Has the agency or another organization within the state collected data and evaluated trends on the number of pipeline damages per 1,000 locate requests? | 2 | 2 |
|---|--|---|---|

Yes = 2 No = 0 Needs Improvement = 1

- a. What stakeholder group is causing the highest number of damages to the pipelines? Operator, contractor, locating company or public.
- b. Has the state verified the operator is appropriately focusing damage prevention education and training to stakeholders causing the most damages?
- c. Has the state evaluated which of the following best describes the reason for the excavation damages; i.e., operator or contractor not following written procedures, failure to maintain marks, failure to support exposed facilities, failure to use hand tools were required, failure to test-hole (pot hole), improper backfilling practices, failure to maintain clearance or insufficient excavation practices.
- d. Has the state verified the operator is appropriately focusing damage prevention education and training to address the causes of excavation damages?

Evaluator Notes:

- a. Contractors/Developers
- b. Yes, this item is reviewed during the IM inspections.
- c. Yes, "Insufficient notification practices" per annual report best describes causes of excavation damages.
- d. Yes, this is checked during IM & Drop-in inspections.

5 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

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

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



PART G - Interstate Agent/Agreement States

Points(MAX) Score

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

Evaluator Notes:

OR PUC is not a 60106 state agency.

- 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:

OR PUC is not a 60106 state agency.

- 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:

OR PUC is not a 60106 state agency.

- 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:

OR PUC is not a 60106 state agency.

- 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:

OR PUC is not a 60106 state agency.

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

Evaluator Notes:

OR PUC is not a 60106 state agency.

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