



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

1200 New Jersey Avenue SE
Washington DC 20590

2021 Hazardous Liquid State Program Evaluation

for

RAILROAD COMMISSION OF TEXAS

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 Hazardous Liquid State Program Evaluation -- CY 2021
Hazardous Liquid

State Agency: Texas

Agency Status:

Date of Visit: 05/09/2022 - 06/17/2022

Agency Representative: Stephanie Weidman, Carrie Ebbinghaus

PHMSA Representative: Michael Thompson, David Lykken, Clint Stephens

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

Name/Title: Wayne Christian, Chairman

Agency: Rail Road Commission of Texas

Address: 1701 N. Congress

City/State/Zip: Austin, Texas 78701

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
6
0

0
15
10
42
15
6
0

TOTALS

96 88

State Rating

91.7

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. Number of operators does not correspond to Annual Reports submitted to PHMSA. Need to verify operators submit annual reports and assure PHMSA operators with annual reports are in the RRC operator list.
- B. Reviewed TX RRC person days data provided and data seems to be accurate. There was an issue with the program not adding certain days but seems to have been corrected.
- C. Number of operators does not correspond to Annual Reports submitted to PHMSA. Need to verify operators submit annual reports and assure PHMSA operators with annual reports are in the RRC operator list.
- D. Verified reportable incidents in PDM with Attachment 4. There were no issues identified.
- E. Verified compliance actions submitted on Attachment 5.
- F. TX RRC keeps all records electronically in their PES database.
- G. Reviewed qualifications and verified with Blackboard. No issues identified. The RRC is on a 3 year waiver due to growth on the Category Qualification levels. Currently they are below the PHMSA required category level. Will need to qualify inspectors in the near future to avoid future point deductions.
- H. TX RRC has adopted all the regulations within the 2 year requirement.
- I. TX RRC listed their planned and past performance activities and damage prevention initiatives.

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. IMP Inspectionsc. OQ Inspectionsd. Damage Prevention Inspectionse. On-Site Operator Trainingf. Construction Inspections (annual efforts) | | |

Evaluator Notes:

Yes, Section 3 addresses pre and post inspection activities for each type of inspection. A. Yes, Section 3 has comprehensive inspection procedures which give guidance to inspectors on conducting comprehensive procedures. B. Yes Section 7.1 and 7.2 has IMP and DIMP inspection procedures which give guidance to inspectors on how to conduct inspections. The procedures include pre and post inspection activities. c Yes Section 7.3 has OQ inspection procedures which give guidance to inspectors on how to conduct inspections. The procedures include pre and post inspection activities. D. Yes Section 7.7 has Damage Prevention inspection procedures which give guidance to inspectors on how to conduct inspections. The procedures include pre and post inspection activities. E. Section 6 has On-Site Training procedures which includes documentation of training on PES. F. Section 7.6 which gives guidance to inspectors on how to conduct construction inspections. G. Section 3.3.12 mentions LNG facility inspections.

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

Yes, Section 3 has a risk based inspection priority. PES generates an inspection schedule each calendar year based on risk factors for each system. The risk factors include; previous violations, customer count, leaks, type of pipe, inspection frequency, incidents, HCAs, class location and non evaluated systems. Inspection units are broken down into systems which vary in size.

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

Yes, Section 3.6 and Section 5 have procedures to notify operator of alleged violations. In 3.2.2 it states that contact must be an officer of the company. In 3.4 it states the RRC sends a executive closing summary to the operator when they close out an inspection. Section 5 is for follow ups.

- 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:

Yes,

A. Section 8.2 has On-Call procedures that include after hours response. RRC inspectors rotate on call duties. During operating hours, the RRC Accident Coordinator receives calls and routes them to the on-call inspector. B. Section 9 shows the requirements for an on-site investigation. The procedure states that all incidents that meet their requirements must have an on-site investigation on both regulated intrastate and non-regulated intrastate pipelines.

5 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

NONE

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 IMP Training before conducting inspection as leadc. Root Cause Training by at least one inspector/program managerd. Note any outside training completede. 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 lead inspectors are qualified to conduct inspections. The Program Manager has procedure to allow inspectors be qualified to conduct comprehensive inspections without completing the required T&Q courses.
- B. Yes, verified all lead inspectors are qualified to lead IMP inspections.
- C. Yes, there are RRC inspectors who have completed the Root Cause training course.
- D. RRC inspectors attend outside training.
- E. Verified during records review that all inspectors are qualified before leading any type of inspection.

- | | | | |
|---|--|---|---|
| 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, the Program Manager has been with the RRC for awhile and has completed T&Q courses. She demonstrates knowledge of the PHMSA program and regulations.

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

Evaluator Notes:

NONE

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 | 0 |
| | <ul style="list-style-type: none">a. Standard (General Code Compliance)b. Public Awareness Effectiveness Reviewsc. Drug and Alcohold. Control Room Managemente. Construction (did state achieve 20% of total inspection person-days?)f. OQ (see Question 3 for additional requirements)g. IMP (see Question 4 for additional requirements) | | |

Evaluator Notes:

A review of the inspections conducted on the "Random Operators List" for CY2021 showed that not all types of inspections had been conducted at the intervals listed in the TXRRC procedures. The following inspections did not meet the required interval: Trinity Pipeline GP LLC - Standard (2/18/22 & 3/4/16), Sunoco Pipeline L.P. - LIMP (5/21/21 & 1/13/14), Plains Marketing, L.P. - D&A (3/31/22 & 2/26/16), Phillips 66 Co. - Sweeny Refinery - CRM (4/4/22 & 3/21/16), Flint Hills Resources, LC - Standard (4/8/22 & 10/27/16), Motiva Enterprises LLC - O&M (4/27/22 & 8/12/16), Although many operators had Comprehensive inspections conducted in the prescribed intervals, many specialized inspections had only recent inspection dates with few prior dates found. There was no record of the following inspections being performed; Trinity Pipeline GP LLC (PAPEI, OQ, LIMP, CRM); Williams Olefins Feedstock Pipelines, LLC (PAPEI); Maverick Terminals Corpus, LLC (D&A, OQ,); Delek Marketing and Supply, LP (D&A); Kinder Morgan Wink Pipeline Pipeline LLC (LIMO, CRM); Huntsman Petrochemical LLC (PAPEI, D&A, CRM); Sunoco Pipeline L.P. (OQ); Houston Ammonia Terminal (CRM); WWM Operating, LLC (No inspections); Exxonmobil Oil Corp. (PAPEI, D&A, OQ, CRM); Valero Refining-Texas L.P. (D&A); McLean Gas Processing, LLC (PAPEI, D&A, O&M, OQ, LIMP, CRM); Gulfmark Energy, Inc. (PAPEI, D&A, OQ, LIMP, CRM); Eagleclaw Midstream Ventures (PAPEI, O&M, CRM); Bravo Pipeline Co. (PAPEI); Kuraray America, Inc. (D&A, CRM); Epic Consolidated Operations, LLC (LIMP, CRM); Navitas Midstream Midland Basin, LLC (OQ, CRM); Motiva Enterprise LLC (PAPEI, D&A, OQ); Boardwalk Field Services (D&A, CRM); Stakeholder Gas Utility, LLC (O&M, OQ, LIMP, CRM); and Mobil Pipeline Co., (PAPEI, D&A, OQ). The TXRRC continues to make progress in this area with their inspection planning. 5 points deducted

- | | | | |
|---|---|----|----|
| 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. Constructionf. OQ (see Question 3 for additional requirements)g. IMP (see Question 4 for additional requirements) | | |

Evaluator Notes:

Yes, the TXRRC utilizes a PHMSA equivalent form for all of their inspections that cover all the applicable code sections. Reviewed inspection reports to verify that inspectors are completing all applicable portions of the inspection. There were no issues identified.

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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 Part 195 Subpart G
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 1 |
|---|--|---|---|

Evaluator Notes:

The RRC is not reviewing all operator OQ Programs to verify plans are meeting the regulations. The following operators had

no record of an OQ Program being verified; Trinity Pipeline GP LLC, Maverick Terminal Corpus, LLC, Sunoco Pipeline, L. P., Exxonmobil Oil Corp., McLean Gas Processing, LLC, Gulfmark Energy, Inc., Navitas Midstream Midland Basin, LLC, Motiva Enterprise LLC, Stakeholder Gas Utility, LLC, and Mobil Pipeline Co.. 1 point deducted

- | | | | |
|---|--|---|---|
| 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 Part 195 Subpart F & G | 2 | 1 |
|---|--|---|---|

Yes = 2 No = 0 Needs Improvement = 1

- 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?

Evaluator Notes:

There were no records of the following operators having their IMP plans reviewed; Trinity Pipeline GP LLC, Kinder Morgan Wink Pipeline LLC, McLean Gas Processing, LLC, Gulfmark Energy, Inc., Epic Consolidated Operations, LLC, and Stakeholder Gas Utility, LLC. The RRC has added questions to their standard inspection form and cover all large operators each year.

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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 records of previous accidents and failures including reported third-party damage and leak response to ensure appropriate operator response as required by 195.402; and
- b. 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;

Evaluator Notes:

Yes, the TX RRC form has incorporated the NTSB recommendations and ADB questions.

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

Yes, the TX RRC form has incorporated the NTSB recommendations and ADB questions.

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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 | 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:



C. Several inspections where identified PV's remained unresolved due to operator delinquent on their response to TXRRC non-compliance notices (Kinder-Morgan, Plains, Sunoco). A 'bug' in the TXRRC new PIPES database resulted in uncorrected violations not being tracked correctly in programs 'delinquent list' resulting in the operator not being notified. To fix this issue, the TXRRC ran a report and found a total of 50 Gas & HL inspection packages and updated the status so they are now tracked. A delinquent letter was sent to each operator to start the process. 1 point was deducted

8	(Accident 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:

- A. Yes, The program utilizes a 24-hour notification system which notifies the on-call engineer.
- B. Yes, the program maintains records of operator incident notifications and copies of NRC reports. C. On site investigations were conducted on 12 of 15 federally reportable gas incidents. Sufficient information was collected for the 3 non-onsite investigations to determine facts.
- D,E and F. Yes, all elements were included in investigation reports. The program utilizes PHMSA Form 11 and TXRRC Incident Investigation Reports to document on-site observations, contributing factors and recommendations to prevent reoccurrences.
- G. Yes, the program initiated compliance actions where probable violations were identified and routinely reviews progress of PV's. Two incidents investigated resulted in penalties being assessed in the amounts of \$10,000 and \$5,000.
- H. Yes, the program maintains good communications with AID
- I. Yes, during NAPSR regional and national meetings

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

Evaluator Notes:

Yes, the letter went out on 12/9/2021 and the state responded on 1/11/2022

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 state holds annual seminars for operators.

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 inspection form addresses the NPMS database changes question.

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

Evaluator Notes:

Yes, website has pipeline safety section which provides information to stakeholders.

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

Evaluator Notes:

Reviewed SRCR in WMS and the TX RRC is responding to notifications. All SRCR were reviewed by the TX RRC.

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

Evaluator Notes:

Yes, Verified the TXRRC responded to surveys by NAPS and 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. 1 1
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Reviewed all waivers issued by the state. The TX RRC is working with PHMSA to close those that are no longer active or necessary.

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

Evaluator Notes:

Yes, the TX RRC is moving their records over to a new data base, "PIPES". It seems to be very functional and effective.

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

Evaluator Notes:

2327 on SICT
3031 Completed
704 more than SICT

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

Evaluator Notes:

Discussed state metrics with the program manager. PHMSA site not updated to 2021 stats at this time. Talked about importance of reviewing them.

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

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

Evaluator Notes:

The TXRRC discussed the need to use PSMS with operators during their annual safety seminar.

20 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

Total points scored for this section: 42
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:

Intercontinental Terminal Company LLC
Mr. Aaron Terrones, Pipeline Safety Field Inspector-Lead
Virtual Inspection
February 14-17, 2022
Agustin Lopez- State Evaluator

- An O&M Manual and records inspection was conducted.
- Last inspection was in 2019
- Yes, operator representatives were present during the inspection.
- Mr. Terrones has not been evaluated in the past.

- 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 electronic form which was developed by the state to utilize during the inspection. The form is very detailed with all applicable regulations. Mr. Terrones used it 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:

- Yes, Mr. Terrones reviewed procedures very thoroughly.
- Yes, Mr. Terrones reviewed records to verify completeness and code compliance.
- There was no field portion conducted.
- No other type of inspection.
- Yes, the inspection was adequate in length to conduct a very thorough 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:

Yes, Mr. Terrones was knowledgeable of the pipeline safety regulations and asked appropriate questions during his inspection.

- 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, Mr. Terrones conducted an Executive Closing at the conclusion of the inspection and provided documentation of issues identified. The following was an issued included in the closing:

1. Regulation: 49 CFR 195.402(a)

The operator did not prepare and follow for each pipeline system, a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies.

Violation Note: 49 CFR 195.402(a)

Operator did not follow their maintenance procedures associated with inspection of valves as required by 195.402(a). Operator failed to partially operate their emergency valves #301 and #309 for 2020 and 2021, and did not follow their operations and maintenance procedures which states that it will be partially operate as per their valve inspection 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, the inspection was performed in a safe, positive and constructive manner. The inspection was performed virtual due to concerns of contracting or spreading the covid 19 virus.

7 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

Mr. Terrones conducted a very thorough inspection and demonstrated good knowledge of the pipeline safety regulations. He is a great asset to the RRC.

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 TXRRC reviews operator's annual and incident reports to complete the yearly risk assessment for their work plan. They also track top ten root causes, types of equipment, work performed and excavators.

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

Evaluator Notes:

The TTX RRC track top ten root causes, types of equipment, work performed and excavators.

- | | | | |
|----------|--|-----------|-----------|
| 3 | Has the state reviewed the operator's annual report pertaining to Part D - Excavation Damage?
Info Only = No Points
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.)? | Info Only | Info Only |
|----------|--|-----------|-----------|

Evaluator Notes:

The TXRRC has a dedicated damage prevention department who analyzes data and provides support to pipeline safety related to excavation damages. Discussed with the TXRRC the need to review and analyze Part D data provided in Annual Reports. (for gas operators)

- | | | | |
|----------|---|---|---|
| 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
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? | 2 | 2 |
|----------|---|---|---|

Evaluator Notes:

Yes their damage prevention personnel and 811 collect damage data which includes damages per 1,000 locates, top ten root causes, types of equipment, work performed and excavators. The damage prevention personnel analyze data and encourage the utilization of best practices.

5 General Comments:

Info Only = No Points

Info Only Info Only

Evaluator Notes:

NONE

Total points scored for this section: 6
Total possible points for this section: 6



PART G - Interstate Agent/Agreement States

Points(MAX) Score

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

Evaluator Notes:

The Rail Road Commission of Texas is NOT an Interstate Agent for the PHMSA

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

Evaluator Notes:

The Rail Road Commission of Texas is NOT an Interstate Agent for the PHMSA

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

Evaluator Notes:

The Rail Road Commission of Texas is NOT an Interstate Agent for the PHMSA

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

Evaluator Notes:

The Rail Road Commission of Texas is NOT an Interstate Agent for the PHMSA

- 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 Rail Road Commission of Texas is NOT an Interstate Agent for the PHMSA

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

Evaluator Notes:

The Rail Road Commission of Texas is NOT an Interstate Agent for the PHMSA

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