



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

1200 New Jersey Avenue SE  
Washington DC 20590

# 2022 Gas State Program Evaluation

for

NM PIPELINE SAFETY BUREAU

## 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



# 2022 Gas State Program Evaluation -- CY 2022

Gas

**State Agency:** New Mexico

**Agency Status:**

**Date of Visit:** 06/12/2023 - 06/16/2023

**Agency Representative:** Jason Montoya

**PHMSA Representative:** Michael Thompson

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

**Name/Title:** Ms. Cholla Khoury, Chief of Staff

**Agency:** New Mexico Public Regulatory Commission

**Address:** 142 W. Palace Avenue

**City/State/Zip:** Santa Fe, New Mexico 87501

**Rating:**

**60105(a):** Yes **60106(a):** No

**Interstate Agent:** Yes

## INSTRUCTIONS:

Complete this evaluation in accordance with the Evaluator Guidance for conducting state pipeline safety program evaluations. The evaluation should generally reflect state program performance during CY 2022 (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	0
15	15
10	10
50	48
15	15
10	10
0	0

### TOTALS

**100 98**

**State Rating** ..... **98.0**

## PART A - Progress Report and Program Documentation Review

Points(MAX)    Score

- 1    Were the following Progress Report Items accurate? (\*items not scored on progress report)    Info Only    Info Only
- Info Only = No Points
- a.    Stats On Operators Data - Progress Report Attachment 1
  - b.    State Inspection Activity Data - Progress Report Attachment 2
  - c.    List of Operators Data - Progress Report Attachment 3\*
  - d.    Incidents/Accidents Data - Progress Report Attachment 4\*
  - e.    Stats of Compliance Actions Data - Progress Report Attachment 5\*
  - f.    List of Records Kept Data - Progress Report Attachment 6 \*
  - g.    Staff and TQ Training Data - Progress Report Attachment 7
  - h.    Compliance with Federal Regulations Data - Progress Report Attachment 8
  - i.    Performance and Damage Prevention Question Data - Progress Report Attachment 10\*

### Evaluator Notes:

- A. Reviewed information no issues.
- B. Compared Attachment 2 data with NMPRC inspection records.
- C. Attachment 3 seems to be accurate.
- D. Verified incidents with PDM
- E. Verified compliance actions with NMPRC data and found no issues.
- F. NMPRC keeps electronic records.
- G. Verified staff training and qualifications with TQ Blackboard.
- H. The NMPRC has adopted all required federal regulations. Civil Penalties are \$100,000.00 and \$1,000,000.00 i. NMPRC listed their performance goals 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<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:

- A. Sections 1 and 3, have procedures for how to conduct Standard Inspections
- B. Sections 1 and 3, have procedures for how to conduct TIMP and DIMP Inspections
- C. Sections 1 and 3, have procedures for how to conduct OQ Inspections
- D. Sections 1 and 3, have procedures for how to conduct Damage Prevention Inspections
- E. Sections 1 and 3, have procedures for how to conduct On-Site Operator Training
- F. Sections 1 and 3, have procedures for how to conduct Construction Inspections
- G. No LNG Inspection Units in state

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

- Section 1, VI covers
- A) Level of compliance from last inspection and town plant (inspection unit) operating history. (i.e., leak history, non-compliance, accidents, etc.)
  - B) Length of time since last comprehensive inspection.
  - C) Internal and external events affecting the inspection unit such as construction, changes in operator personnel or operating procedures, etc.
  - D) Specialized inspections will be conducted as needed or as time permits.
  - E) Mergers and Acquisitions
  - F) Risk Assessments including: Miles of HCA's, Population Density, and threats such as Poor Leak History, Excavation Damage, Corrosion, Natural Forces, etc. See Policy 10-001 ? Identifying High Risk Inspection Units

- |   |   |   |   |
|---|---|---|---|
| 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 1, VIII has procedures for notifying company/government official of non compliance, procedures which requires to routinely follow up on open compliance actions to avoid breakdowns and procedures on closing outstanding probable violations.

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- |          |  |   |   |
|----------|--|---|---|
| <b>4</b> | (Incident/Accident Investigations) Does the state have written procedures to address state actions in the event of an incident/accident?<br>Yes = 3 No = 0 Needs Improvement = 1-2 | 3 | 3 |
|          | 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:

Pipeline Incidents and Accident Investigation procedures are covered in Section 2.

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| <b>5</b> | General Comments:<br>Info Only = No Points | Info Only Info Only |
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Evaluator Notes:

None

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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:

- A. Random inspection reports were reviewed to verify that lead inspectors were qualified.
- B. DIMP/IMP lead inspectors have the required training.
- C. There are no jurisdictional LNG facilities in NM.
- D. Three inspectors have successfully taken the Root Cause Training course.
- E. There was no outside training in 2021.
- F. Reviewed Inspector Training in Black Board verifying Inspectors have obtained qualifications to lead applicable inspections.

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|---|--|---|---|
| 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 |
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Evaluator Notes:

- Yes, a review of the states records and discussions with Jason Montoya, (Program Manager) indicate adequate knowledge of the PHMSA program and regulations.

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|---|--|-----------|-----------|
| 3 | General Comments:<br>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<br>Yes = 5 No = 0 Needs Improvement = 1-4  | 5 | 3 |
|   | <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:

A review of all types of inspections using the Random Operator Sample List showed that the state had not met the established inspection intervals set in their procedures. This included Standard, PAPI, D&A and OQ type inspections. 2 points were deducted.

The state did meet the goal of 20% of inspection person days being Construction inspections at 48.2%.

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

The NMPRC uses PHMSA equivalent forms to conduct inspections. A review of inspections performed for operators on the Random Sample list showed all applicable portions of the inspections were completed.

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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 NMPRC conducts OQ inspections using the proper forms to verify operator plans.

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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:

The state has not verified the operator's integrity management programs since the last evaluation, however they have developed the list of topics to be reviewed at their next quarterly meeting with their largest operators to insure they are completing a full cycle of the IMP process.

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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<br>Yes = 2 No = 0 Needs Improvement = 1  | 2 | 2 |
|   | <ul style="list-style-type: none"> <li>a. Operator procedures for determining if exposed cast iron pipe was examined for evidence of graphitization and if necessary remedial action was taken;</li> <li>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);</li> <li>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;</li> <li>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;</li> <li>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;</li> <li>f. Operator procedures for considering low pressure distribution systems in threat analysis?</li> <li>g. Operator compliance with state and federal regulations for regulators located inside buildings?</li> </ul> |   |   |

Evaluator Notes:

The NMPRC has an Addendum sheet on the inspection form which include NTSB and ADB questions they are updating to be current.

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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)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|--|---|---|

Evaluator Notes:

The NMPRC has an Addendum sheet on the inspection form which include NTSB and ADB questions they are updating to be current.

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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<br>Yes = 10 No = 0 Needs Improvement = 1-9   | 10 | 10 |
|   | <ul style="list-style-type: none"> <li>a. Were compliance actions sent to company officer or manager/board member if municipal/government system?</li> <li>b. Were probable violations documented properly?</li> <li>c. Resolve probable violations</li> <li>d. Routinely review progress of probable violations</li> <li>e. Did state issue compliance actions for all probable violations discovered?</li> <li>f. Can state demonstrate fining authority for pipeline safety violations?</li> <li>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)</li> <li>h. Did state compliance actions give reasonable due process to all parties? Including "show cause" hearing, if necessary.</li> </ul> |    |    |



- 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:**

The program has worked together to develop a set of processes and procedures for inspectors that was implemented recently. Progress will need to be assessed at the next evaluation.

<b>8</b>	(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:**

The state had a few incidents in 2022. Process and procedures were appropriately followed to investigate them. One incident was not reported to the program until 2023. The operator was just added as jurisdictional gathering so kinda didn't know exactly what to do. They have been informed by the state about the reporting requirements for the state.

<b>9</b>	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:**

PHMSA evaluation letter sent 8/17/2022, Chairman's response mailed on 10/5/2022.

<b>10</b>	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:**

Last seminar held on 10/26-28/2021 was a Common Ground Alliance seminar where the PM covered pipeline safety issues during the meeting. The New Mexico Gas Association who normally host the Safety Seminars has not held a meeting since the outbreak of Covid. However they did host one in April of 2023.

<b>11</b>	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, inspection forms cover the NMPS submittals by operators.

<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).	1	1
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Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, NMPRC website has pipeline safety information and also participate in conferences.

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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:

Yes, the NMPRC has worked with PHMSA to clear and close SRCRs in 2022 and has responded and taken appropriate actions on all active reports.

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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 NAPSIR or PHMSA; and<br>b. PHMSA Work Management system tasks? | 1 | 1 |
|-----------|---|---|---|

Evaluator Notes:

Yes, the NMPRC responds to PHMSA and NAPSIR surveys and requests, and does work in the WMS system to keep tasks updated.

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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:

The NMPRC has two waivers listed on the PHMSA web-site that are no longer active. The PM E-mailed the PHMSA waiver group email address to start the process to remove them during last years evaluation. The email was not acted on so the PM sent a new follow-up E-mail at the time of this evaluation. It was responded to by Mary McDaniel's who said they would handle it.

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

Evaluator Notes:

Yes, the NMPRC keeps all records electronically.

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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:

The state is working to make the SICT as accurate an estimate as possible.

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|-----------|---|-----------|-----------|
| <b>18</b> | Discussion on State Program Performance Metrics found on Stakeholder Communication Info Only<br>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:

Discussed the state metrics with the Program Manager  
New Mexico  
State Program Metrics: 2022

Damage Prevention: The numbers have Decreased from 2019 at 3.7 to 3.4 in 2021 and not is up to 3.6 in 2022. What's up and what are you going to do to fix it?

Inspection days per 1000 mile of gas pipe: The number of days has increase from 11.02 in 2018 to 25.09 in 2021.

Inspection Days per MMO/LPG Unit: The number of days has moved up from 0.16 in 2020 to 0.52 in 2021.

Inspection days per 1000 mile of HL pipe: The inspection days for HL pipelines has gone down a little from 124.27 in 2019

to 110.39 days in 2020.

Inspector Qualifications: The gas pipeline inspector qualifications have increased in all categories from 2020 to 2021. It is the same with the HL inspector training.

Gas Distribution system leaks: Leak repairs per 100 miles of pipe have gone downward from 2021 to 2022 in total leaks and Hazardous leaks repaired. The number of leaks scheduled for repairs has also stayed the same with 2 in 2021 to 2 in 2022.

Gas pipeline enforcement program evaluation:

The annual gas evaluation score dropped from 100 in 2019 to 92 in 2020. The HL score has been at 100 since 2010.

Incident evaluation Program: Both programs have been at 100 since 2010.

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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 | Info Only Info Only |
|           | a. <a href="https://pipelinesms.org/">https://pipelinesms.org/</a>  |                     |
|           | b.     Reference AGA recommendation to members May 20, 2019   |                     |

Evaluator Notes:

Yes, they have a question on their addendum form

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- |           |                       |                     |
|-----------|-----------------------|---------------------|
| <b>20</b> | General Comments:     | Info Only Info Only |
|           | Info Only = No Points |                     |

Evaluator Notes:

D1. A deduction of 2 points. A review of all types of inspections using the Random Operator Sample List showed that the state had not met the established inspection intervals set in their procedures. This included Standard, PAPI, D&A and OQ type inspections.

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Total points scored for this section: 48  
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:

- Standard Comp. New Mexico Natural Gas - Roswell, NM
- 
- Yes, the operator had several reps present and participating.
- Observed 4 inspectors. James Stanovack, Chris Gutierrez, Margret Doyle and David Gates

- 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 used the states form to conduct 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, James was the lead and asked very good questions to determine compliance.
- Yes, the records for corrosion, valve maintenance, regulator station maintenance and leak survey were well reviewed.
- Yes, the operators were requested to perform a couple reg. station lock ups, Rectifier checks, valve turning and line locating activities.
- In the field all inspectors showed their varied understanding of the regulations. James and Chris have been with the program for a number of years, David has about 30 years of experience in the gas distribution industry with hands on experience in corrosion, metering and measurement.
- Margret comes from the state environmental agency with experience in air quality control.
- Yes the inspection was of adequate length.

- 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, In the field all inspectors showed their varied understanding of the regulations. James and Chris have been with the program for a number of years, David has about 30 years of experience in the gas distribution industry with hands on experience in corrosion, metering and measurement.

Margret comes from the state environmental agency with experience in air quality control.

- 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.

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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:

A. No unsafe acts were observed.

B. The operators was requested to perform a couple reg. station lock ups, Rectifier checks, valve turning and line locating activities.

C. None

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**7** General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

NONE

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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:

The NMPRC review and analyze Annual Report and incident data to risk rank their operators. They also assess an annual pipeline safety fee and require additional information that is reviewed annually. The information is stored as part of the Large Operators reports.

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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 |
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### Evaluator Notes:

The NMPRC has enforcement authority over Damage Prevention and conducts investigations of every damage to pipeline facilities reported. The NMPRC tracks repeat offenders thru their enforcement efforts. Repeat offenders are assessed civil penalties in accordance with the states process and procedures.

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| 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:

- A. Yes. Annual report issues discovered during a standard audit are included with that case number assigned by the lead inspector.
- B. Yes. This is a collaborative effort among the PSB, NM811, and New Mexico Regional Common Ground Alliance. The PSB's online reporting system allows for the investigator to select alleged violations consistent with One-Call Notification Practices Not Sufficient.
- C. Yes. This is a collaborative effort among the PSB, NM811, and New Mexico Regional Common Ground Alliance. The PSB's online reporting system allows for the investigator to select alleged violations consistent with Locating Practices Not Sufficient
- D. Generally yes. If a locator fails to comply the PSB expects operators to suspend OQ's, retrain, and requalify.
- E. Yes. This is confirmed during OQ audits.
- F. Yes. DP inspectors are investigating all damages reported and lead inspectors review the data during standard inspections.
- G. Yes. DP inspectors are investigating all damages reported and lead inspectors review the data during standard inspections.
- H. Yes. NM811's membership agreement requires members to update their mapping systems frequently and as needed to include new underground infrastructure.
- I. Generally Yes, Pipeline operators are good at updating maps to maximize their protection from excavation damage. Periodically NM811 staff have to request updated maps.

J. Yes. This is a collaborative effort among the PSB, NM811, and New Mexico Regional Common Ground Alliance. The PSB's online reporting system allows for the investigator to select alleged violations consistent with Excavation Practices Not Sufficient.

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| 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 | 2 | 2 |
|---|--|---|---|
- 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:

Yes, this is a collaborative effort amongst NM811, New Mexico Regional Common Ground Alliance, and Pipeline Safety Bureau. Data is submitted to CGA and included in their analysis as well. Contractors continue to be the highest contributor to damages resulting from excavation and the top three remain to be failure to call 811 before digging, failure to maintain marks, failure to maintain 18" tolerance zone with mechanical equipment. All damages are investigated and determined causes are published in NM's 3rd party damage reporting tool, KorlInsight.

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| 5 | General Comments:<br>Info Only = No Points | Info Only | Info Only |
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Evaluator Notes:

NONE

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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:

NM PRC is not an interstate agent and does not have a 60106 agreement with 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:

NM PRC is not an interstate agent and does not have a 60106 agreement with 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:

NM PRC is not an interstate agent and does not have a 60106 agreement with 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:

NM PRC is not an interstate agent and does not have a 60106 agreement with 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:

NM PRC is not an interstate agent and does not have a 60106 agreement with PHMSA.

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

Evaluator Notes:

NM PRC is not an interstate agent and does not have a 60106 agreement with PHMSA.

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