



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

1200 New Jersey Avenue SE
Washington DC 20590

2009 Natural Gas State Program Evaluation

for

MONTANA PUBLIC SERVICE COMMISSION

Document Legend

PART:

- O -- Representative Date and Title Information
- A -- General Program Qualifications
- B -- Inspections and Compliance - Procedures/Records/Performance
- C -- Interstate Agent States
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- E -- Damage Prevention Initiatives
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2009 Natural Gas State Program Evaluation -- CY 2009
Natural Gas

State Agency: Montana

Agency Status:

Date of Visit: 05/24/2010 - 05/28/2010

Agency Representative: Joel Tierney, Pipeline Safety Program Manager

PHMSA Representative: Patrick Gaume, State Liaison

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

Name/Title: Mr. Greg Jergeson, Chairman

Agency: Montana Public Service Commission

Address: 1701 Prospect Avenue, PO Box 202601

City/State/Zip: Helena, Montana 59620-2601

Rating:

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

INSTRUCTIONS:

Complete this evaluation in accordance with the Procedures for Evaluating State Pipeline Safety Program. The evaluation should generally reflect state program performance during CY 2009 (not the status of performance at the time of the evaluation). All items for which criteria have not been established should be answered based on the PHMSA representative's judgment. 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 space provided for general comments/regional observations. If a question is not applicable to a state, select NA. Please ensure all responses are COMPLETE and ACCURATE, and OBJECTIVELY reflect state program performance. Increasing emphasis is being placed on performance. This evaluation together with selected factors reported in the state's annual certification/agreement attachments provide the basis for determining the state's pipeline safety grant allocation.

Field Inspection (PART F):

The field inspection form used will allow different areas of emphasis to be considered for each question. Question 13 is provided for scoring field observation areas. In completing PART F, the PHMSA representative should include a written summary which thoroughly documents the inspection.

Scoring Summary

PARTS

Possible Points Points Scored

A	General Program Qualifications	26	26
B	Inspections and Compliance - Procedures/Records/Performance	23.5	21.5
C	Interstate Agent States	0	0
D	Incident Investigations	7	7
E	Damage Prevention Initiatives	9	9
F	Field Inspection	12	12
G	PHMSA Initiatives - Strategic Plan	10	10
H	Miscellaneous	3	3
I	Program Initiatives	9	9

99.5 97.5

TOTALS

State Rating 98.0

PART A - General Program Qualifications

Points(MAX) Score

- | | | | |
|----------|--|-------------------------------------|---|
| 1 | Did the state submit complete and accurate information on the attachments to its most current 60105(a) Certification/60106 (a) Agreement? (NOTE: PHMSA Representative to verify certification/agreement attachments by reviewing appropriate state documentation. Score a deficiency in any one area as "needs improvement". Attachment numbers appear in parenthesis) Previous Question A.1, Items a-h worth 1 point each
Yes = 8 No = 0 Needs Minor Improvement = 3-7 Needs Major Improvement = 2 | 8 | 8 |
| <hr/> | | | |
| a. | State Jurisdiction and agent status over gas facilities (1) | <input checked="" type="checkbox"/> | |
| b. | Total state inspection activity (2) | <input checked="" type="checkbox"/> | |
| c. | Gas facilities subject to state safety jurisdiction (3) | <input checked="" type="checkbox"/> | |
| d. | Gas pipeline incidents (4) | <input checked="" type="checkbox"/> | |
| e. | State compliance actions (5) | <input checked="" type="checkbox"/> | |
| f. | State record maintenance and reporting (6) | <input checked="" type="checkbox"/> | |
| g. | State employees directly involved in the gas pipeline safety program (7) | <input checked="" type="checkbox"/> | |
| h. | State compliance with Federal requirements (8) | <input checked="" type="checkbox"/> | |

SLR Notes:

A.1 Yes. Parts a-h all appear complete and accurate. A---yes, B---yes, have some concern that MT has a 5 year standard Inspection Plan for private distribution, Master Meter, & LPG. Personal concern is that it should be 3 or maybe 4 years. A mitigation is that, except for Master Meters, every Operator is seen every other year, most are seen yearly. C---Yes, State has necessary jurisdictions. D---There was one in 2009. Previous incident was in 2007. There has been one incident so far in 2010. E---yes there were 6 compliance actions in 2009. F---yes, all items were checked for and they were present. It was observed that MT double listed everything. G---Yes, the two inspectors are well qualified. H---Yes, In compliance, exception is that civil penalties for One-Call violations is still a work in progress.

- | | | | |
|----------|---|---|---|
| 2 | Did the state have an adequate mechanism to receive operator reporting of incidents to ensure state compliance with 60105(a) Certification/60106(a) Agreement requirements (fatality, injury requiring hospitalization, property damage exceeding \$50,000 - Mechanism should include receiving "after hours" reports)? (Chapter 6) Previous Question A.2
Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

A.2. Yes, Is in Commission Rule ARM 38.5.2202. Exactly same as Fed requirements, Adopted current Fed regulations. Annual Commission Rule Makings catches all of the Fed updates. No legislation actions required.

- | | | | |
|----------|---|---|---|
| 3 | Has the state held a pipeline safety TQ seminar(s) in the last 3 years? (NOTE: Indicate date of last seminar or if state requested seminar, but T&Q could not provide, indicate date of state request for seminar. Seminars must be held at least once every 3 calendar years.) (Chapter 8.5) Previous Question A.4
Yes = 2 No = 0 | 2 | 2 |
|----------|---|---|---|

SLR Notes:

A.3. Yes, in February 12-13, 2008 in Helena, MT. Also had one in February, 2010 in Helena, MT.

- | | | | |
|----------|--|---|---|
| 4 | Were pipeline safety program files well-organized and accessible?(NOTE: This also includes electronic files) (Chapter 5) Previous Question A.5
Yes = 1 No = 0 | 1 | 1 |
|----------|--|---|---|

SLR Notes:

A.4. Yes, the paper files are in the Program Manager's office. Current filing is in paper and electronic and is trending towards electronic files in a dedicated area of the main frame files.

- | | | | |
|----------|---|---|---|
| 5 | Did state records and discussions with the state pipeline safety program manager indicate adequate knowledge of PHMSA program and regulations? (Chapter 4.1, Chapter 8.1) Previous Question A.6
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

SLR Notes:

A.5. Yes, The Program Manager & staff shows a professional knowledge of the regulations.

- | | | | |
|----------|---|---|---|
| 6 | Did the state respond in writing within 60 days to the requested items in the Chairman's letter following the Region's last program evaluation? (No response is necessary if no items are requested in letter and mark "Yes") (Chapter 8.1) Previous Question A.8
Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

A.6. Yes, The response letter was sent within 60 days of receipt. It addressed all four items. All were corrected or a system for correction was put in place.

- | | | | |
|---|--|---|---|
| 7 | What actions, if necessary, did the State initiate as a result of issues raised in the Chairperson's letter from the previous year? Did actions correct or address deficiencies from previous year's evaluation? (No response is necessary if no items are requested in letter and mark "Yes") (Chapter 8.1) Previous Question A.8/A.9 | 1 | 1 |
|---|--|---|---|
- Yes = 1 No = 0

SLR Notes:

A.7. Yes, All were corrected or a system for correction was put in place.

Personnel and Qualifications

- | | | | |
|---|--|---|---|
| 8 | Has each inspector fulfilled the 3 year TQ training requirement? If No, has the state been granted a waiver regarding TQ courses by the Associate Administrator for Pipeline Safety? (NOTE: If the State has new inspectors who have not attended all TQ courses, but are in a program which will achieve the completion of all applicable courses within 3 years of taking first course (5 years to successfully complete), or if a waiver has been granted by the applicable Region Director for the state, please answer yes.) (Chapter 4.4) Previous Question A.10 | 3 | 3 |
|---|--|---|---|
- Yes = 3 No = 0

SLR Notes:

A.8. Yes, all inspectors with 3+ years of service have passed all TQ core courses, and the new inspectors are taking courses and are scheduled for the rest.

- | | | | |
|---|--|-----------|-----------|
| 9 | Brief Description of Non-TQ training Activities: | Info Only | Info Only |
|---|--|-----------|-----------|
- Info Only = No Points
- For State Personnel:
- A.9. State- Both Inspectors are HAZWOPER certified, and HAZMAT re-certified through non-TQ courses.
- For Operators:
- Operators ? multiple Municipal Distribution System training events that were usually associated with standard Inspections. Provided an on-site Operator DIMP training for a major distribution system operator.
- For Non-Operator Entities/Parties, Information Dissemination, Public Meetings:
- Non-operator/public - Conducted Damage Prevention discussions at Contractor Appreciation Events.

SLR Notes:

A.9. State- Both Inspectors are HAZWOPER certified, and HAZMAT re-certified through non-TQ courses.

Operators ? multiple Municipal Distribution System training events that were usually associated with standard Inspections. Provided an on-site Operator DIMP training for a major distribution system operator.

Non-operator/public - Conducted Damage Prevention discussions at Contractor Appreciation Events.

- | | | | |
|----|---|---|---|
| 10 | Did the lead inspectors complete all required T&Q OQ courses and Computer Based Training (CBT) before conducting OQ Inspections? (Chapter 4.4.1) Previous Question A.12 | 1 | 1 |
|----|---|---|---|
- Yes = 1 No = 0

SLR Notes:

A.10. G Joel Tierney ('04) & Eric Dahlgren ('06) are the OQ Leads, They were trained to TSI course PL3OQ in 04 & 06. Joel has also had the OQ assessment seminar PL00311 in 2010.

- | | | | |
|----|--|---|---|
| 11 | Did the lead inspectors complete all required TQ Integrity Management (IMP) Courses/Seminars and CBT before conducting IMP Inspections? (Chapter 4.4.1) Previous Question A.13 | 1 | 1 |
|----|--|---|---|
- Yes = 1 No = 0

SLR Notes:

A.11. IMP Leads are G Joel Tierney ('04) & Eric Dahlgren ('06). They were trained in 2005 & 2007- TSI course 297.

- | | | | |
|----|---|---|---|
| 12 | Was the ratio acceptable of Total inspection Person-days to Total Person-days charged to the program by state inspectors? (Region Director may modify points for just cause) (Chapter 4.3) Previous Question B.12 | 5 | 5 |
|----|---|---|---|
- Yes = 5 No = 0
- A. Total Inspection Person Days (Attachment 2):
- 99.00
- B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
- 220 X 0.59 = 129.80
- Ratio: A / B
- 99.00 / 129.80 = 0.76
- If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0
- Points = 5

SLR Notes:

A.12 A=99 person days. B=0.59 man years * 220 = 129.8 person days. A/B= .76 .76>.38, okay.

- 13** Have there been modifications or proposed changes to inspector-staffing levels? (If yes, describe) Previous Info Only Info Only
Question B.13
Info Only = No Points

SLR Notes:

A.13. No. The present staffing is for 2 engineers at about 80-85% of their time and one clerical staff at about 5-20 hours/year. Other PSC staff give time to the program occasionally. I recommended to MT PSC that they consider a 3rd FTE due to the 5 year inspection schedule for certain Units. I also discussed that they are possibly under reporting time that they are spending on pipeline safety work based on total inspection person days and total inspection person days charged to the program as reported on their certification.

- 14** Part-A General Comments/Regional Observations Info Only Info Only
Info Only = No Points

SLR Notes:

A.14. PSC and other stakeholders are working as an ad hoc committee to draft a bill that will fully meet the 9 elements of the Damage Prevention Program. The bill is targeted to be presented in the 2011 legislature. PSC adoption of amended Federal Regulations is an established process. PSC is continually trying to make pipeline safety better by working with operators, PHMSA, local governments, and providing training events.

Total points scored for this section: 26
Total possible points for this section: 26



PART B - Inspections and Compliance - Procedures/Records/ Performance

Points(MAX) Score

Inspection Procedures

- 1** Does the State have a written inspection plan to complete the following? (all types of operators including LNG) (Chapter 5.1) Previous Question B.1 + Chapter 5 Changes + Incorporate LNG
Yes = 6.5 No = 0 Needs Improvement = 50% Deduction
- | | | | | |
|---|---|--------------------------------------|--------------------------|---|
| a | Standard Inspections (Including LNG) (Max points = 2) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b | IMP Inspections (Including DIMP) (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c | OQ Inspections (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d | Damage Prevention (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| e | On-Site Operator Training (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| f | Construction Inspections (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| g | Incident/Accident Investigations (Max points = 1) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| h | Compliance Follow-up (Max points = 1) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

SLR Notes:

B.1. a, b, c, d, e, f, g, & h, Yes, have procedures in 'Pipeline Safety Inspection and Investigation Procedures'. The inspection procedures show that Units are inspected every 2-5 years. I recommended that items b-h be expanded on in their procedures.

- 2** Did the written Procedures for selecting operators adequately address key concerns? (Chapter 5.1) Previous Question B.2, items a-d are worth .5 point each
Yes = 2 No = 0 Needs Improvement = 50% Deduction
- | | | | | |
|---|--|--------------------------------------|--------------------------|---|
| a | Length of time since last inspection | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b | History of Operator/unit and/or location (including leakage , incident and compliance history) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c | Type of activity being undertaken by operator (construction etc) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d | For large operators, rotation of locations inspected | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

SLR Notes:

B.2. yes, Items a,b,c, & d are all found in the inspection procedures.

Inspection Performance

- 3** Did the state inspect all types of operators and inspection units in accordance with time intervals established in its written procedures? (Chapter 5.1) Previous Question B.3
Yes = 2 No = 0

SLR Notes:

B.3. NO. The Master Meters are not being tracked to the 5 year inspection cycle.

- 4** Did the state inspection form cover all applicable code requirements addressed on the Federal Inspection forms? (Chapter 5.1 (3)) Previous Question B.4
Yes = 1 No = 0

SLR Notes:

B.4. Yes, PSC uses the Federal Forms.

- 5** Did state complete all applicable portions of inspection forms? (Chapter 5.1 (3)) Previous Question B.5
Yes = 1 No = 0

SLR Notes:

B.5. Yes.

- 6** Did the state initiate appropriate follow-up actions to Safety Related Condition Reports? (Chapter 6.3) Previous Question B.6
Yes = .5 No = 0

SLR Notes:

B.6. NA. There were no SRC in 2009. SRC are VERY rare in Montana, about 1 every 20 years.

7	Did the state review operator procedures for determining if exposed cast iron pipe was examined for evidence of graphitization and if necessary remedial action was taken? (NTSB) Previous Question B.7 Yes = .5 No = 0	.5	NA
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SLR Notes:

B.7. NA, there was never any Cast Iron in Montana.

8	Did the state review 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) (NTSB) Previous Question B.8 Yes = .5 No = 0	.5	NA
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SLR Notes:

B.8. NA, there was never any Cast Iron in Montana.

9	Did the state review 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? (NTSB) Previous Question B.9 Yes = .5 No = 0	.5	.5
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SLR Notes:

B.9. Yes, PSC has included this on an addendum sheet which is part of every Standard Inspection.

10	Did the state review 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? (NTSB) Previous Question B.10 Yes = 1 No = 0	1	1
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SLR Notes:

B.10. Yes, it is part of all standard inspections. This is also addressed in API 1162, & PSC has developed a checklist to fully enforce 1162 which includes incident review. PSC has included this on an addendum sheet which is part of every Standard Inspection.

Compliance - 60105(a) States

11	Did the state adequately document sufficient information on probable violations? (Chapter 5.2) Previous Question B.14 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

B.11. Yes, the inspection reports, the NOPV, CAO, and all related correspondence are kept in the same file.

12	Does the state have written procedures to identify the steps to be taken from the discovery to the resolution of a probable violation as specified in the "Guidelines for State Participating in the Pipeline Safety Program"? (Chapter 5.1) Previous Question D(1).1 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

B.12. Yes, in the administrative rules 38.5.2204.

13	Does the state have written procedures to notify an operator when a noncompliance is identified as specified in the "Guidelines for States Participating in the Pipeline Safety Program"? (Chapter 5.1(4)) Previous Question D(1).2 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

B.13. Yes, in the administrative rules 38.5.2205.

14	Does the state have a written procedure for routinely reviewing the progress of compliance actions to prevent delays or breakdowns of the enforcement process, as required by the "Guidelines for States Participating in the Pipeline Safety Program"? (Chapter 5.1(5)) Previous Question D(1).3 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

B.14. Yes, when compliance actions are input into the database, both pipeline staff receive a notice in their Outlook calendar 60 days in advance.

15	Has the State issued compliance actions for all probable violations discovered? (Note : PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation) Previous Question D(1).4 Yes = 1 No = 0	1	1
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SLR Notes:

B.15. Yes, 6 compliance actions which address 111 PV in 2009.

16	Did the state follow its written procedures for reviewing compliance actions and follow-up to determine that prompt corrective actions were taken by operators, within the time frames established by the procedures and compliance correspondence, as required by the "Guidelines for States Participating in the Pipeline Safety Program"? Previous Question D(1).5 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

B.16. Yes, the PSC follows its own procedures.

17	If compliance could not be established by other means, did state pipeline safety program staff request formal action, such as a "Show Cause Hearing" to correct pipeline safety violations? (check each states enforcement procedures) Previous Question D(1).6 No = 0 Yes = 1	1	1
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SLR Notes:

B.17. Yes, the mechanism is in the administrative rules 38.5.2206. There were no actions in 2009, & only one action in the last 20 years.

18	Did the state adequately document the resolution of probable violations? (Chapter 5.1 (6)) Previous Question D(1).7 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

B.18. Yes, inspection reports, the NOPV, CAO, and all related correspondence are kept in the same file, & if the operator response is sufficient, the case is closed by the Pipeline Safety Program Manager. The PV are recorded in the file, but do not become violations unless a Commission Hearing is required and the Commission finds them to be violations. At such time the operator would receive a violation letter.

19	Were compliance actions sent to a company officer? (manager or board member if municipal/government system) (Chapter 5.1(4)) Previous Question D(1).8 Yes = .5 No = 0	.5	.5
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SLR Notes:

B.19. Yes, the mechanism is in the inspection procedures.

20	Did the compliance proceedings give reasonable due process to all parties? (check each states enforcement procedures) Previous Question D(1).9 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

B.20. Yes, due process is afforded all.

Compliance - 60106(a) States

21	Did the state use the current federal inspection form(s)? Previous Question D(2).1 Yes = 1 No = 0 Needs Improvement = .5	1	NA
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SLR Notes:

B.21-26. NA, PSC is a 60105(a) program.

22	Are results adequately documented demonstrating inspection units were reviewed in accordance with state inspection plan? Previous Question D(2).2 Yes = 1 No = 0 Needs Improvement = .5	1	NA
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SLR Notes:

B.21-26. NA, PSC is a 60105(a) program.

23	Were any probable violations identified by state referred to PHMSA for compliance? (NOTE: PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation.) Previous Question D(2).3	1	NA
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Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.21-26. NA, PSC is a 60105(a) program.

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- | | | | |
|-----------|---|---|----|
| 24 | Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? Previous Question D(2).4 | 1 | NA |
|-----------|---|---|----|
- Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.21-26. NA, PSC is a 60105(a) program.

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- | | | | |
|-----------|--|---|----|
| 25 | Did the state give written notice to PHMSA within 60 days of all probable violations found? Previous Question D(2).5 | 1 | NA |
|-----------|--|---|----|
- Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.21-26. NA, PSC is a 60105(a) program.

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- | | | | |
|-----------|--|---|----|
| 26 | Did the state initially submit adequate documentation to support compliance action by PHMSA on probable violations? Previous Question D(2).6 | 1 | NA |
|-----------|--|---|----|
- Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.21-26. NA, PSC is a 60105(a) program.

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- | | | | |
|-----------|--|-----------|-----------|
| 27 | Part B: General Comments/Regional Observations | Info Only | Info Only |
|-----------|--|-----------|-----------|
- Info Only = No Points

SLR Notes:

B.27. The Pipeline Program is dedicated to perform all inspections and other actions so as to maximize pipeline safety. The demands on pipeline safety are increasing. Examples of several new inspections and other assignments include: API 1162, One-Call, DIMP, Control Room Management, OQ, the 9 elements of Damage Prevention, and identify newly regulated gas gathering lines. Obviously the work load is increasing and size of staff needs to be considered.

Total points scored for this section: 21.5
Total possible points for this section: 23.5



PART C - Interstate Agent States

Points(MAX) Score

- | | | | |
|----------|---|---|----|
| 1 | Did the state use the current federal inspection form(s)? Previous Question D(3).1
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

SLR Notes:

C.1-8. NA, not an Interstate Agent.

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|----------|--|---|----|
| 2 | Are results documented demonstrating inspection units were reviewed in accordance with "PHMSA directed inspection plan"? Previous Question D(3).2
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

SLR Notes:

C.1-8. NA, not an Interstate Agent.

- | | | | |
|----------|--|---|----|
| 3 | Did the state submit documentation of the inspections within 60 days as stated in its latest Interstate Agent Agreement form? Previous Question D(3).3
Yes = 1 No = 0 | 1 | NA |
|----------|--|---|----|

SLR Notes:

C.1-8. NA, not an Interstate Agent.

- | | | | |
|----------|---|---|----|
| 4 | Were any probable violations identified by state referred to PHMSA for compliance? (NOTE: PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation.) Previous Question D(3).4
Yes = 1 No = 0 | 1 | NA |
|----------|---|---|----|

SLR Notes:

C.1-8. NA, not an Interstate Agent.

- | | | | |
|----------|--|---|----|
| 5 | Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? Previous Question D(3).5
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

SLR Notes:

C.1-8. NA, not an Interstate Agent.

- | | | | |
|----------|--|---|----|
| 6 | Did the state give written notice to PHMSA within 60 days of all probable violations found? Previous Question D(3).6
Yes = 1 No = 0 | 1 | NA |
|----------|--|---|----|

SLR Notes:

C.1-8. NA, not an Interstate Agent.

- | | | | |
|----------|--|---|----|
| 7 | Did the state initially submit documentation to support compliance action by PHMSA on probable violations? Previous Question D(3).7
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

SLR Notes:

C.1-8. NA, not an Interstate Agent.

- | | | | |
|----------|---|-----------|-----------|
| 8 | Part C: General Comments/Regional Observations
Info Only = No Points | Info Only | Info Only |
|----------|---|-----------|-----------|

SLR Notes:

C.1-8. NA, not an Interstate Agent.

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

PART D - Incident Investigations

Points(MAX) Score

- | | | | |
|----------|--|---|---|
| 1 | Are state personnel following the procedures for Federal/State cooperation in case of an incident? (See Appendix in "Guidelines for States Participating in the Pipeline Safety Program") (Chapter 6.1) Previous Question E.1
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|--|---|---|

SLR Notes:

D.1. Yes, they used the Federal Inspection form. Also the Western Region Accident Investigator inspector observed the incident investigation.

- | | | | |
|----------|---|----|----|
| 2 | Are state personnel familiar with the jurisdictional authority and Memorandum of Understanding between NTSB and PHMSA? (See Appendix in "Guidelines for States Participating in the Pipeline Safety Program") (Chapter 6 ? Appendix D) Previous Question E.2
Yes = .5 No = 0 | .5 | .5 |
|----------|---|----|----|

SLR Notes:

D.2. Yes, the MOU between NTSB and OPS is understood, and PSC is fully willing to cooperate with NTSB.

- | | | | |
|----------|--|---|---|
| 3 | Did the state keep adequate records of incident notifications received? Previous Question E.3
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|--|---|---|

SLR Notes:

D.3. Yes, 1 large record for one 1 incident. MT PSC reporting criteria is exactly the same as Federal reporting criteria.

- | | | | |
|----------|--|---|---|
| 4 | If an onsite investigation of an incident was not made, did the state obtain sufficient information by other means to determine the facts and support the decision not to go on-site? Previous Question E.4
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|--|---|---|

SLR Notes:

D.4. Yes, In 2009, the incident was investigated on-site.

- | | | | | |
|----------|---|--------------------------------------|--------------------------|---|
| 5 | Were investigations thorough and conclusions and recommendations documented in an acceptable manner? Previous Question E.5, comprehensive question worth 2 points total
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 | |
| a. | Observations and Document Review | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b. | Contributing Factors | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c. | Recommendations to prevent recurrences where appropriate | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

SLR Notes:

D.5. PSC uses the federal Form 11 for incident investigations. The events are documented and Appendix E is followed.

- | | | | |
|----------|---|---|---|
| 6 | Did the state initiate enforcement action for violations found during any incident investigation(s)? Previous Question E.6 Variation
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

D.6. Yes, but in this case the violations found are not directly attributable to the incident.

- | | | | |
|----------|--|----|-----|
| 7 | Did the state assist region office by taking appropriate follow-up actions related to the operator incident reports to ensure accuracy and final report has been received by PHMSA? (validate annual report data from operators concerning incidents/accidents and investigate discrepancies) (Chapter 6) Previous Question E.7/E.8
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

D.7 Yes, but in this 2009 incident the Region assisted the PSC in their investigation. PSC also cooperated with ATF while the incident was being investigated for possible criminal intent.

- | | | | |
|----------|---|-----------|-----------|
| 8 | Part D: General Comments/Regional Observations
Info Only = No Points | Info Only | Info Only |
|----------|---|-----------|-----------|

SLR Notes:

D.8. PHMSA appreciates the Pipeline Programs professional efforts investigating the gas incident in Bozeman, MT that involved a fatality.

Total points scored for this section: 7
Total possible points for this section: 7



PART E - Damage Prevention Initiatives

Points(MAX) Score

- | | | | |
|----------|--|---|---|
| 1 | Has the state reviewed 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? Previous Question B.11
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|--|---|---|

SLR Notes:

E.1. Yes, it is addressed in API RP 1162 inspections and in standard inspections during review of line locate and one-call procedures. PSC has created an addendum sheet to address this question.

- | | | | |
|----------|--|---|---|
| 2 | Did the state inspector check to assure the pipeline operator is following its written procedures pertaining to notification of excavation, marking, positive response and the availability and use of the one call system? New 2008
Yes = 2 No = 0 | 2 | 2 |
|----------|--|---|---|

SLR Notes:

E.2. Yes, operator procedures, records and one-call tickets are reviewed during Standard Inspections, and it is a supplemental question on PSC's inspection addendum sheet.

- | | | | |
|----------|---|---|---|
| 3 | Did the state encourage and promote the adoption of the Common Ground Alliance Best Practices document to its regulated companies as a means of reducing damages to all underground facilities? Previous Question A.7
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

SLR Notes:

E.3. encouragement is given through standard inspections, the MT Utility Coordinating Council meetings, and by providing CGA Best Practices document pdf or internet links.

- | | | | |
|----------|---|---|---|
| 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? New 2008
Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

E.4. Yes, it is being done by Montana One Call through a contract with One-Call Concepts, Inc. The MT Utility Coordinating Council is involved as a governing body.

- | | | | |
|----------|--|---|---|
| 5 | Did the state review operators' records of accidents and failures due to excavation damage to ensure causes of failure are addressed to minimize the possibility of recurrence as required by 192.617?
Yes = 2 No = 0 | 2 | 2 |
|----------|--|---|---|

SLR Notes:

E.5. Yes, it is reviewed during standard inspections and incident inspections.

- | | | | |
|----------|---|-----------|-----------|
| 6 | Part E: General Comments/Regional Observations
Info Only = No Points | Info Only | Info Only |
|----------|---|-----------|-----------|

SLR Notes:

E.6. The major Damage Prevention initiative of the PSC is to create an acceptable bill that will encompass all nine elements of the Damage Prevention portion of the 2006 PIPES ACT, with civil penalties being the most difficult part of the bill.

Total points scored for this section: 9
Total possible points for this section: 9

PART F - Field Inspection

Points(MAX) Score

1 Operator, Inspector, Location, Date and PHMSA Representative Info Only Info Only
Info Only = No Points

Name of Operator Inspected:

Northwestern Entergy LLC, opid 31632

Name of State Inspector(s) Observed:

G Joel Tierney & Eric Dahlgren

Location of Inspection:

Butte Division, 400 Oxford St, Butte, MT 59701

Date of Inspection:

May 25-26, 2010

Name of PHMSA Representative:

Patrick Gaume

SLR Notes:

Northwestern Entergy LLC, opid 31632

G Joel Tierney & Eric Dahlgren

Butte Division, 400 Oxford St, Butte, MT 59701

May 25-26, 2010

Patrick Gaume

2 Was the operator or operator's representative notified and/or given the opportunity to be present during inspection? New 2008 1 1
Yes = 1 No = 0

SLR Notes:

F.2. yes, It was held in the Operator's office.

3 Did the inspector use an acceptable inspection form/checklist and was the form/checklist used as a guide for the inspection? (New regulations shall be incorporated) Previous Question F.2 2 2
Yes = 2 No = 0

SLR Notes:

F.3. yes, used the Federal Forms 2, 13, and 15, Standard Inspection for Gas Distribution, Drug and Alcohol, and OQ Field Inspection.

4 Did the inspector thoroughly document results of the inspection? Previous Question F.3 2 2
Yes = 2 No = 0

SLR Notes:

F.4. Yes, all three forms were completely filled out.

5 Did the inspector check to see if the operator had necessary equipment during inspection to conduct tasks viewed? (Maps, pyrometer, soap spray, CGI, etc.) New 2008 1 1
Yes = 1 No = 0

SLR Notes:

F.5. Yes, he had system maps, tools for accessing and turning system valves, multi-meter and half-cell, odorometer, and OQ covered task review documents.

6 What type of inspection(s) did the state inspector conduct during the field portion of the state evaluation? (i.e. Standard, Construction, IMP, etc) New 2008 Info Only Info Only
Info Only = No Points

SLR Notes:

F.6. It was a standard inspection with an OQ Protocol 9 & D&A Form 13.

7 Did the inspector adequately review the following during the field portion of the state evaluation? (check all that apply on list) New 2008, comprehensive question worth 2 points total 2 2
Yes = 2 No = 0 Needs Improvement = 1

a. Procedures



b. Records



- c. Field Activities/Facilities ☒
- d. Other (Please Comment) ☒

SLR Notes:

F.7. Yes, for records; the field; OQ Field Inspection for pipe to soil testing, valve operation, rectifier inspection, and use of odorometer; and unit specific procedures.

- 8** Did the inspector have adequate knowledge of the pipeline safety program and regulations? (Liaison will document reasons if unacceptable) Previous Question F.8 2 2
Yes = 2 No = 0

SLR Notes:

F.8. Yes, Joel and Eric showed good & adequate knowledge of the pipeline safety program goals and regulations.

- 9** Did the inspector conduct an exit interview? (If inspection is not totally complete the interview should be based on areas covered during time of field evaluation) Previous Question F.10 1 1
Yes = 1 No = 0

SLR Notes:

F.9. Yes, discussed a 2 part PV; 192.603(b), 192.747 the distr vlvs lacked records showing previous year actuation. 192.603(b), 192.615(b)(3) failed to have records showing review of emergency procedures were effectively followed in each emergency.

- 10** During the exit interview, did the inspector identify probable violations found during the inspections? Previous Question F.11 1 1
Yes = 1 No = 0

SLR Notes:

F.10. Yes, discussed a 2 part PV; 192.603(b), 192.747 the distr vlvs lacked records showing previous year actuation. 192.603(b), 192.615(b)(3) failed to have records showing review of emergency procedures were effectively followed in each emergency.

- 11** What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) Info Only Info Only
Info Only = No Points

SLR Notes:

F.11. Yes, We visited a regulator station, 4 key zone valve sites, ROW, residential meters, OQ Field Inspection for pipe to soil testing, valve operation, rectifier inspection, and use of odorometer ; also items g, i, l, m, q, u, v, B, D, G, & I, and also regulator site condition, site fencing, weeds, safe installation of emergency relief vents, and pressure ratings of valves and flanges.

- 12** Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) Info Only Info Only
Info Only = No Points

SLR Notes:

F.12. No special take-aways from this inspection of a good operator.

- 13** Field Observation Areas Observed (check all that apply) Info Only Info Only
Info Only = No Points

- a. Abandonment ☐
- b. Abnormal Operations ☐
- c. Break-Out Tanks ☐
- d. Compressor or Pump Stations ☐
- e. Change in Class Location ☐
- f. Casings ☐
- g. Cathodic Protection ☒
- h. Cast-iron Replacement ☐
- i. Damage Prevention ☒
- j. Deactivation ☐
- k. Emergency Procedures ☐
- l. Inspection of Right-of-Way ☒
- m. Line Markers ☒
- n. Liaison with Public Officials ☐
- o. Leak Surveys ☐

p.	MOP	<input type="checkbox"/>
q.	MAOP	<input checked="" type="checkbox"/>
r.	Moving Pipe	<input type="checkbox"/>
s.	New Construction	<input type="checkbox"/>
t.	Navigable Waterway Crossings	<input type="checkbox"/>
u.	Odorization	<input checked="" type="checkbox"/>
v.	Overpressure Safety Devices	<input checked="" type="checkbox"/>
w.	Plastic Pipe Installation	<input type="checkbox"/>
x.	Public Education	<input type="checkbox"/>
y.	Purging	<input type="checkbox"/>
z.	Prevention of Accidental Ignition	<input type="checkbox"/>
A.	Repairs	<input type="checkbox"/>
B.	Signs	<input checked="" type="checkbox"/>
C.	Tapping	<input type="checkbox"/>
D.	Valve Maintenance	<input checked="" type="checkbox"/>
E.	Vault Maintenance	<input type="checkbox"/>
F.	Welding	<input type="checkbox"/>
G.	OQ - Operator Qualification	<input checked="" type="checkbox"/>
H.	Compliance Follow-up	<input type="checkbox"/>
I.	Atmospheric Corrosion	<input checked="" type="checkbox"/>
J.	Other	<input type="checkbox"/>

SLR Notes:

F.13. Yes, We visited a regulator station, 4 key zone valve sites, ROW, residential meters, OQ Field Inspection for pipe to soil testing, valve operation, rectifier inspection, and use of odorometer ; also items g, i, l, m, q, u, v, B, D, G, & I, and also regulator site condition, site fencing, weeds, safe installation of emergency relief vents, and pressure ratings of valves and flanges.

14 Part F: General Comments/Regional Observations

Info Only Info Only

Info Only = No Points

SLR Notes:

F.14. Mr. G Joel Tierney & Eric Dahlgren were observed conducting a Gas Distribution Standard Inspection with four OQ Protocol 9 reviews and a Drug and Alcohol inspection of the Butte Unit of Northwestern Entergy LLC, opid 31632. They conducted inspections of Unit records; the field; OQ Field Inspection for pipe to soil testing, valve operation, rectifier inspection, and use of odorometer; and unit specific procedures. They showed professional level knowledge of the pipeline safety program goals and regulations, and they conducted themselves cordially and professionally while conducting this inspection.

Total points scored for this section: 12
Total possible points for this section: 12

PART G - PHMSA Initiatives - Strategic Plan

Points(MAX) Score

Risk base Inspections - Targeting High Risk Areas

- 1** Does state have process to identify high risk inspection units? 1.5 1.5
Yes = 1.5 No = 0

Risk Factors (criteria) to consider may include:

Miles of HCA's, Geographic area, Population Density

Length of time since last inspection

History of Individual Operator units (leakage, incident and compliance history, etc.)

Threats - (Excavation Damage, Corrosion, Natural Forces, Other Outside Forces, Material or Welds, Equipment, Operations, Other)

SLR Notes:

G.1. Yes, in their PIPP. Comment: MT has a small count of Units and it is easy to know who the problem children are. A detailed risk analysis process is not needed in this state.

- 2** Are inspection units broken down appropriately? (see definitions in Guidelines) .5 0.5
Yes = .5 No = 0

SLR Notes:

G.2. Yes. the Units are consistent with Inspection Unit as defined in the Guidelines Glossary.

- 3** Consideration of operators DIMP Plan? (if available and pending rulemaking) Info Only Info Only
Info Only = No Points

SLR Notes:

G.3. PSC is aware of the pending DIMP Rule and will implement the DIMP inspections per the federal guidelines and will risk them into the PIPP.

- 4** Does state inspection process target high risk areas? .5 0.5
Yes = .5 No = 0

SLR Notes:

G.4. Yes, the PIPP names several high risk factors to consider, and units are selected for inspection in accordance with the PIPP. As a category Master Meters are being encouraged to cede operations to the LDC.

Use of Data to Help Drive Program Priority and Inspections

- 5** Does state use data to analyze effectiveness of damage prevention efforts in the state? (DIRT or other data, etc) .5 0.5
Yes = .5 No = 0

SLR Notes:

G.5. Yes, MT PSC has developed a detailed spreadsheet where line hits are well defined and it shows that excavation damage is about 50% of the total pipeline threat for the past 5 years. It looks to be a great support for the pending damage prevention bill.

- 6** Has state reviewed data on Operator Annual reports for accuracy? .5 0.5
Yes = .5 No = 0

SLR Notes:

G.6. Yes, the Pipeline Program Staff reviews current annual reports against prior year reports and contacts the Operators when there are questions over the data. Also, the data is uploaded into the evaluation spreadsheet and monitored for trends.

- 7** Has state analyzed annual report data for trends and operator issues? .5 0.5
Yes = .5 No = 0

SLR Notes:

G.7. Yes, the Pipeline Program Staff reviews current annual reports against prior year reports and contacts the Operators when there are questions over the data. Also, the data is uploaded into the evaluation spreadsheet and monitored for trends.

- 8** Has state reviewed data on Incident/Accident reports for accuracy? .5 0.5
Yes = .5 No = 0

SLR Notes:

G.8. [also see A.2. and E.5.] Yes, for 2009, this question has to be answered relative to REPORTABLE incidents. Reportable incidents are investigated relative to minimizing future events, including those due to excavation damage.

9	Does state do evaluation of effectiveness of program based on data? (i.e. performance measures, trends, etc.)	.5	0.5
	Yes = .5 No = 0		

SLR Notes:

G.9. Yes, data sources include annual reports, leak reports, incident reports, miles and type of pipe, number of PV, public awareness reviews, & excavation damage.

10	Did the State input all operator qualification inspection results into web based database provided by PHMSA in a timely manner upon completion of OQ inspections? Previous Question B.15	.5	0.5
	Yes = .5 No = 0		

SLR Notes:

G.10. Yes, all of the Standard and Protocol 9 OQ inspections for 2009 have been uploaded, typically within 5 days of the inspection. The focus in 2009 was to conduct Protocol 9 inspections in every Unit that had a standard inspection. There were no violations found during those Protocol 9 reviews.

11	Did the State submit their replies into the Integrity Management Database (IMDB) in response to the Operators notifications for their integrity management program? Previous Question B.16	.5	0.5
	Yes = .5 No = 0		

SLR Notes:

G.11. Yes. All applicable replies were uploaded in 2009.

12	Have the IMP Federal Protocol forms been uploaded to the IMDB? Previous Question B.17	.5	0.5
	Yes = .5 No = 0		

SLR Notes:

G.12. Yes, all inspections for 2009 and to date 2010 have been uploaded into IMDB. In 2009 all of the uploads were Protocol A reviews.

13	Did the State ask Operators to identify any plastic pipe and components that has shown a record of defects/leaks and what those operators are doing to mitigate the safety concerns? Previous Question B.18	.5	0.5
	Yes = .5 No = 0		

SLR Notes:

G.13. Yes. It is an addendum question asked during standard inspections. There are no identified plastic pipe problems in Montana. Operators state that if a problem had been found it would have been reported.

14	Has state confirmed transmission operators have submitted information into National Pipeline Mapping System (NPMS) database along with any changes made after original submission?	.5	0.5
	Yes = .5 No = 0		

SLR Notes:

G.14. Yes. MT has 4 transmission units. All 4 units have been reviewed for accuracy relative to NPMS during the IMP inspection and also during standard inspections.

Accident/Incident Investigation Learning and Sharing Lessons Learned

15	Has state shared lessons learned from incidents/accidents? (i.e. NAPSIR meetings and communications)	.5	0.5
	Yes = .5 No = 0		

SLR Notes:

G.15. Yes, the 2009 incident was described and discussed during the 2009 Western NAPSIR meeting. An area of emphasis was the experience working with ATF on-site.

16	Does the State support data gathering efforts concerning accidents? (Frequency/Consequence/etc)	.5	0.5
	Yes = .5 No = 0		

SLR Notes:

G.16. [Also see A.2., E.5., G.8.], Yes, reports are received, followup is made, paperwork is checked, lessons learned are derived, Incident causes and regulatory compliance are determined, and site visits are usually made. Inspector duties are outlined in the inspection procedures.

17	Does state have incident/accident criteria for conducting root cause analysis?	Info Only	Info Only
	Info Only = No Points		

SLR Notes:

G.17. PSC does not have a criteria for a formal Root Cause Analysis at this time. All inspectors have either taken or are on the Root Cause class wait list. They do search for probable cause and compliance with the regulations at this time.

18 Does state conduct root cause analysis on incidents/accidents in state?

Info Only Info Only

Info Only = No Points

SLR Notes:

G.18. PSC does not have a formal Root Cause Analysis at this time. All inspectors have either taken or are on the Root Cause class wait list. They do search for probable cause and compliance with the regulations at this time.

19 Has state participated on root cause analysis training? (can also be on wait list)

.5

0.5

Yes = .5 No = 0

SLR Notes:

G.19. Yes, All inspectors have either taken or are on the Root Cause class wait list. (Points are awarded).

Transparency - Communication with Stakeholders

20 Other than pipeline safety seminar does State communicate with stakeholders? (Communicate program data, pub awareness, etc.)

.5

0.5

Yes = .5 No = 0

SLR Notes:

G.20. Yes, Open telephone access to pipeline safety personnel, participation in excavator meetings, Participate in the MT Utility Coordinating Council, presentations as invited to operators & their staff.

21 Does state share enforcement data with public? (Website, newsletters, docket access, etc.)

.5

0.5

Yes = .5 No = 0

SLR Notes:

G.21. Yes, all finalized pipeline safety information is open to public access. Information is available through phone, letter, e-mail, or personal visit. Information has not been posted to the website nor are there plans to post information to the website.

22 Part G: General Comments/Regional Observations

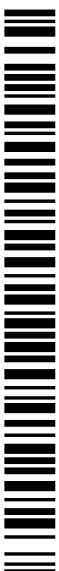
Info Only Info Only

Info Only = No Points

SLR Notes:

G.22. The Pipeline Group is becoming more data driven to better evaluate pipeline threats to pipeline safety.

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



PART H - Miscellaneous

Points(MAX) Score

- | | | | |
|----------|---|----|-----|
| 1 | What were the major accomplishments for the year being evaluated? (Describe the accomplishments, NAPSR Activities and Participation, etc.)
Yes = .5 No = 0 | .5 | 0.5 |
|----------|---|----|-----|

SLR Notes:

H.1. Yes, in 2009 major accomplishments included continuing work on Damage Prevention and the nine elements and convincing master meter operators to cede operations to LDC.

- | | | | |
|----------|--|----|-----|
| 2 | What legislative or program initiatives are taking place/planned in the state, past, present, and future? (Describe initiatives (i.e. damage prevention, jurisdiction/authority, compliance/administrative, etc.)
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

H.2. Yes, the major effort is the bill for Damage Prevention and its nine elements.

- | | | | |
|----------|--|----|-----|
| 3 | Any Risk Reduction Accomplishments/Projects? (i.e. Cast iron replacement projects, bare steel, third-party damage reductions, etc.)
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

H.3. Yes, The elimination of master meter operators.

- | | | | |
|----------|--|---|---|
| 4 | Did the state participate in/respond to surveys or information requests from NAPSR or PHMSA?
Yes = 1 No = 0 | 1 | 1 |
|----------|--|---|---|

SLR Notes:

H.4. Yes, Constantly! PSC works with NAPSR, TQ, NTSB, ATF, & PHMSA, and all emails are responded to.

- | | | | |
|----------|---|----|-----|
| 5 | Sharing Best Practices with Other States - (General Program)
Yes = .5 No = 0 | .5 | 0.5 |
|----------|---|----|-----|

SLR Notes:

H.5. Yes, through Western Region NAPSR and one on one with other program chiefs. Also NAPSR e-mails.

- | | | | |
|----------|---|-----------|-----------|
| 6 | Part H: General Comments/Regional Observations
Info Only = No Points | Info Only | Info Only |
|----------|---|-----------|-----------|

SLR Notes:

H.6. Presently, new program demands make it necessary for Pipeline staff to respond to information requests but not to sit on active NAPSR or Study Group committees. Committee participation has occurred in the past. We recommend consideration of staffing levels to enable full participation in NAPSR and join the rotation onto various study groups.

Total points scored for this section: 3
Total possible points for this section: 3

PART I - Program Initiatives

Points(MAX) Score

Drug and Alcohol Testing (49 CFR Part 199)

- | | | | |
|----------|---|---|---|
| 1 | Has the state verified that operators have drug and alcohol testing programs?
Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

I.1. Yes, and verifies with all new Operators.

- | | | | |
|----------|--|----|-----|
| 2 | Is the state verifying that operators are conducting the drug and alcohol tests required by the operators program (random, post-incident, etc.)
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

I.2. Yes, in 2009 PSC filled out a Form 13 for every Unit that had a Standard Inspection.

- | | | | |
|----------|---|----|-----|
| 3 | Is the state verifying that any positive tests are responded to in accordance with the operator's program?
Yes = .5 No = 0 | .5 | 0.5 |
|----------|---|----|-----|

SLR Notes:

I.3. Yes, in 2009 this question is on the addendum sheet that is used with Fed Form 13.

Qualification of Pipeline Personnel (49 CFR Part 192 Subpart N)

- | | | | |
|----------|---|---|---|
| 4 | Has the state verified that operators have a written qualification program?
Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

I.4. Yes. All Operators have been OQ inspected and re-inspected. In 2009 Protocol 9 inspections were done on every Unit that had a Standard Inspection.

- | | | | |
|----------|--|----|-----|
| 5 | Has the state reviewed operator qualification programs for compliance with PHMSA rules and protocols?
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

I.5. Yes, All OQ inspections were done using Federal Forms and according to Federal guidelines. All Operators came into compliance.

- | | | | |
|----------|--|----|-----|
| 6 | Is the state verifying that persons who perform covered tasks for the operator are qualified in accordance with the operator's program?
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

I.6. Yes, it is covered in the OQ inspections. Also Protocol 9 reviews are done every year.

- | | | | |
|----------|--|----|-----|
| 7 | Is the state verifying that persons who perform covered task for the operator are requalified at the intervals specified in the operator's program?
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

I.7. Yes, OQ records are pulled and checked during every OQ inspection and every Protocol 9 inspection.

Gas Transmission Pipeline Integrity Management (49 CFR Part 192 Subpart O)

- | | | | |
|----------|--|---|---|
| 8 | Has the state verified that all operators with transmission pipelines have either adopted an integrity management program (IMP), or have properly determined that one is not required?
Yes = 1 No = 0 | 1 | 1 |
|----------|--|---|---|

SLR Notes:

I.8. Yes, all Gas Operators have been contacted. All Gas Operators have either declared they have prepared a GIMP program or declared they have no HCAs. Every Gas Operator with an identified HCA have received a full GIMP Inspection. The inspections have been uploaded into the fed database. All Gas Operator Protocol A have been reviewed. One operator's GIMP plan is a work in progress that should be fully addressed during 2010.

- | | | | |
|----------|--|----|-----|
| 9 | Has the state verified that in determining whether a plan is required, the operator correctly calculated the potential impact radii and properly applied the definition of a high consequence area?
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

I.9. Yes, the impact radii calculations and the HCA determinations have been verified during every GIMP review.

10	Has the state reviewed operator IMPs for compliance with Subpart O? (In accordance with State Inspection plan) Yes = .5 No = 0	.5	0.5
-----------	---	----	-----

SLR Notes:

I.10. Yes, all initial GIMP have been done and compliance with subpart O has been checked.

11	Is the state monitoring operator progress on the inspections, tests and remedial actions required by the operator's IMP, including that they are being done in the manner and schedule called for in its IMP? Yes = .5 No = 0	.5	0.5
-----------	--	----	-----

SLR Notes:

I.11. Yes, tests and remedial actions are being checked for compliance with their plan.

12	Is the state verifying that operators are periodically examining their transmission line routes for the appearance of new HCAs? Yes = .5 No = 0	.5	0.5
-----------	--	----	-----

SLR Notes:

I.12. Yes, all Gas Transmission Operators have had their first GIMP inspection, and they will be reviewed relative to what was found during the prior inspection.

Public Awareness (49 CFR Section 192.616)

13	Has the state verified that each operator has developed a continuing public awareness program? (due date was 6/20/06 for most operators, 6/20/07 for certain very small operators, 6/13/08 for master meters) Yes = .5 No = 0	.5	0.5
-----------	--	----	-----

SLR Notes:

I.13. Yes, except for a new operator that assumed operations of a MT unit in 2009. They will be inspected during 2010.

14	Has the state reviewed the content of these programs for compliance with 192.616 (by participating in the Clearinghouse or by other means)? Yes = .5 No = 0	.5	0.5
-----------	--	----	-----

SLR Notes:

I.14. Yes, all reviews have been completed except for a new operator that assumed operations of a MT unit in 2009. Their program will be inspected during 2010.

15	Is the state verifying that operators are conducting the public awareness activities called for in its program? Yes = .5 No = 0	.5	0.5
-----------	--	----	-----

SLR Notes:

I.15. Yes, through records review during Standard Inspections and API 1162 inspections. Also noteworthy is that the large LDC operators are members of MLPGA and the MLPGA website (pipelineawareness.org) provides valuable public awareness information.

16	Is the state verifying that operators have evaluated their Public Awareness programs for effectiveness as described in RP1162? Info Only = No Points	Info Only	Info Only
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SLR Notes:

I.16. Yes, through records review during API 1162 inspections.

17	Part I: General Comments/Regional Observations Info Only = No Points	Info Only	Info Only
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SLR Notes:

I.17 There are now several inspections that are in addition to the Standard inspection. These inspections include Drug and Alcohol, GIMP, OQ, Public Awareness, and will soon add DIMP. PSC is addressing them all.

Total points scored for this section: 9
Total possible points for this section: 9