



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

1200 New Jersey Avenue SE
Washington DC 20590

2010 Natural Gas State Program Evaluation

for

NEW JERSEY BOARD OF PUBLIC UTILITIES

Document Legend

PART:

- O -- Representative Date and Title Information
- A -- General Program Qualifications
- B -- Inspections and Compliance - Procedures/Records/Performance
- C -- Interstate Agent States
- D -- Incident Investigations
- E -- Damage Prevention Initiatives
- F -- Field Inspection
- G -- PHMSA Initiatives - Strategic Plan
- H -- Miscellaneous
- I -- Program Initiatives



2010 Natural Gas State Program Evaluation -- CY 2010
Natural Gas

State Agency: New Jersey

Agency Status:

Date of Visit: 09/19/2011 - 09/23/2011

Agency Representative: Michael Stonack

PHMSA Representative: Dino N. Rathod

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

Name/Title: Mr. Lee A. Solomon, President

Agency: New Jersey Board of Public Utilities

Address: 44South Clinton Avenue, 9th Floor

City/State/Zip: Trenton, New Jersey 08625-0350

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 2010 (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	23.5
C	Interstate Agent States	0	0
D	Incident Investigations	7	6
E	Damage Prevention Initiatives	9	9
F	Field Inspection	11	11
G	PHMSA Initiatives - Strategic Plan	10	10
H	Miscellaneous	3	3
I	Program Initiatives	9	9

98.5 97.5

TOTALS

State Rating 99.0

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 |
| 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:

Attachment 7: Inspector Qualification Categories apply to State Pipeline Safety Inspectors. These categories do not apply to Administrative Support staff. (Please see State Guideline Chapter 4)

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

NJSA, SubChapter 4, 14:2-4.4 for reporting Accidents and Emergencies

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

NJ BPU held T&Q seminar in Oct 2010.

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

BPU maintains a combination of hard copies and limited electronic files. Files are accessible. It is noted that pPrevious efforts to upgrade electronic database and inspection check lists/ Forms have not been successful.

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

Program Manager Mike Stonack has gained valuable pipeline operational and regulatory experience. In addition, he has completed necessary T&Q training courses. He provides guidance to BPU pipeline safety inspection staff. He works closely with , NAPS, PHMSA ER and PHP-50 State Liaison.

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

NJ BPU President letter response dated Feb 16, 2011 was received within 60 days.

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|----------|--|---|---|
| 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
Yes = 1 No = 0 | 1 | 1 |
|----------|--|---|---|

SLR Notes:

BPU has been unable to make any viable progress in upgrading electronic database and inspection checklists. BPU agreed to pursue it vigorously and help implement needed changes ASAP.

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:

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|----------|--|-----------|-----------|
| 9 | Brief Description of Non-TQ training Activities: | Info Only | Info Only |
|----------|--|-----------|-----------|
- Info Only = No Points
- For State Personnel:
- For Operators:
- For Non-Operator Entities/Parties, Information Dissemination, Public Meetings:

SLR Notes:

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

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

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|-----------|---|---|---|
| 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):
409.00
- B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 3.00 = 660.00
- Ratio: A / B
409.00 / 660.00 = 0.62
- If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0
Points = 5

SLR Notes:

Ratio calculated > 0.38; 5 points

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

SLR Notes:

BPU was in process to add two new pipeline safety inspectors during Sept/Oct 2011.

14 Part-A General Comments/Regional Observations

Info Only Info Only

Info Only = No Points

SLR Notes:

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 6.5 6.5
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:

- 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 2 2
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:

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 2 2
Yes = 2 No = 0

SLR Notes:

- 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 1 1
Yes = 1 No = 0

SLR Notes:

Yes; I also discussed with BPU to consider migration to electronic Inspection Check Lists and Inspection Forms. It will allow efficient way to review and revise these documents.

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

SLR Notes:

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

SLR Notes:

- | | | | |
|----------|--|----|----|
| 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 | .5 |
|----------|--|----|----|

SLR Notes:

NJ Inspection Check List GS-9, Item 18 Condition of Pipe (192.459)

- | | | | |
|----------|---|----|----|
| 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 | .5 |
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SLR Notes:

BPU Inspection Form GS-2, Page 2 of 6. BPU reviews each LDC procedures (example: NJNG Procedure 3.07-01)

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|----------|--|----|----|
| 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 |
|----------|--|----|----|

SLR Notes:

BPU Inspection Check List GS-3, Pages 2 & 3 (Example NJNG Procedure Section 4 nad 3.01-03)

- | | | | |
|-----------|--|---|---|
| 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 |
|-----------|--|---|---|

SLR Notes:

BPU Inspection Check List GS-3 (Part 192.617) - Inspectors perform review of each LDC records of previous gas incidents and possible failures and 3rd party damages.

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 |
|-----------|--|---|---|

SLR Notes:

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|-----------|--|---|---|
| 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 |
|-----------|--|---|---|

SLR Notes:

- | | | | |
|-----------|--|---|---|
| 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 |
|-----------|--|---|---|

SLR Notes:

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|-----------|--|---|---|
| 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 |
|-----------|--|---|---|

SLR Notes:

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:

For CY 2010 BPU found 19 Probable Violations. 15 Compliance Actions were taken.

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:

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	NA
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SLR Notes:

For CY 2010 BPU found 19 Probable Violations. 15 Compliance Actions were taken

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:

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:

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:

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:

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:

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 Yes = 1 No = 0 Needs Improvement = .5	1	NA
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SLR Notes:

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 Yes = 1 No = 0 Needs Improvement = .5	1	NA
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SLR Notes:

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

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

27	Is the program manager familiar with state process for imposing civil penalties? Were civil penalties considered for repeat violations (with severity consideration) or violations resulting in incidents/accidents? (describe any actions taken) Info Only = No Points	Info Only	Info Only
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SLR Notes:

BPU Program Manager is very familiar with process of imposing civil penalties. BPU actively pursues civil penalties for certain violations.

28	Part B: General Comments/Regional Observations Info Only = No Points	Info Only	Info Only
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SLR Notes:

Total points scored for this section: 23.5
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:

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

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

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

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

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

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

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

SLR Notes:

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:

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

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

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

- | | | | |
|----|---|--------------------------------------|--------------------------|
| 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 | 1 |
| a. | Observations and Document Review | Yes <input type="radio"/> | No <input type="radio"/> |
| b. | Contributing Factors | Yes <input checked="" type="radio"/> | No <input type="radio"/> |
| c. | Recommendations to prevent recurrences where appropriate | Yes <input type="radio"/> | No <input type="radio"/> |

SLR Notes:

Discussed with BPU need for completing and issuing a Final Failure Investigation Report in timely manner. BPU shared with me working folder with various documents. I suggested that it is essential to finalize final report with supporting documentation organized in an acceptable manner and use a Failure Investigation form (similar to other ER states-such as MD uses). BPU agreed to implement my suggestions and finalize the report ASAP.

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

BPU is in process taking Compliance and Enforcement Actions and assess civil penalties shortly

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

BPU worked closely with ER staff and provided necessary follow-up information in a timely manner.

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

SLR Notes:

BPU reported 3 Incidents for CY 2010

Total points scored for this section: 6
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:

Directional Drilling is a section of the NJ Administrative Code N.J.A.C. 14:7 that requires compliance by NJ gas utilities and the requirements are included and addressed in their procedure manuals

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

BPU inspectors review bi-weekly and quarterly reports during on-site evaluation. Please see PowerPoint attachment on positive response. Also, NJBPU inspectors verify mark-outs and mark-out requests during all construction inspections.

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

BPU inspectors review 2010 NJ Common Ground Alliance meeting agendas and newsletters during on-site evaluation: 811 Logo on LNG tank, 9-elements in 2011 SDP Grant Application. Also, during the on-site evaluation, Underground Damage Prevention Guideline booklet that was developed in 2010 and distributed in January 2011

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

NJBPU 2011 One Call Grant project will continue the analysis of excavation damage data for 2009, 2010, and 2011 that has already been performed for 2007 and 2008.

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

BPU inspections follow a continual process of reviewing operator's records of accidents and failures due to excavation damage. During the on-site evaluation, the mapping of 2010 natural gas damages will be reviewed relative to ensuring that causes of failure are addressed to minimize the possibility of recurrence

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

SLR Notes:

BUP has a strong damage prevention program.

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 = No Points Name of Operator Inspected: South Jersey Natural Gas (SJNG) Name of State Inspector(s) Observed: John Grillo/ John Prieto Location of Inspection: Barnesboro (Sewell) Date of Inspection: 09/20/2011 Name of PHMSA Representative: Dino Rathod	Info Only	Info Only
---	--	-----------	-----------

SLR Notes:

Observed New Construction for replacement of main and services; OQ #9 ; Gas transmission IMP and DIMP implementation status review.

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

SLR Notes:

SJNG Reps were present at jobsite and to discuss IMP and DIMP status review/ updates

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 Yes = 2 No = 0	2	2
---	--	---	---

SLR Notes:

BPU inspector used Inspection Check List GS-9-PL and operator qualification Protocol form for field verification

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

SLR Notes:

Both inspectors filled-in check list and OQ # 9 Protocol form and provided me copies upon completion of field activities.

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 Yes = 1 No = 0	1	1
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SLR Notes:

BPU inspector asked questions regarding calibration of butt-fusion equipment, heating iron and digital pyrometer.

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 = No Points	Info Only	Info Only
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SLR Notes:

Pipe main and services replacement by contractor crew-Crown Pipeline in Barnesboro. 8-inc med density plastic pipe. BPU inspector also conducted OQ# 9 field verification of butt fusion. BPU inspectors also discussed Gas IMP and DIMP status updates

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 Yes = 2 No = 0 Needs Improvement = 1	2	2
a.	Procedures	<input type="checkbox"/>	
b.	Records	<input type="checkbox"/>	
c.	Field Activities/Facilities	<input checked="" type="checkbox"/>	
d.	Other (Please Comment)	<input checked="" type="checkbox"/>	

SLR Notes:

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

SLR Notes:

- | | | | |
|----------|--|---|---|
| 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
Yes = 1 No = 0 | 1 | 1 |
|----------|--|---|---|

SLR Notes:

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

SLR Notes:

No issues were found during this field activity.

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

SLR Notes:

Installation of 8-in med density plastic main as part of 21,000 ft replacement of exist pipe and 173 services. SJNG contractor Crown Pipeline crew was installing new plastic pipe. BPU inspector observed butt-fusion, checked qualifications, One call locate verification. Performed field verification of pipe fusor. In addiotn, BPU reviewed Gas transmission IMP and DIMP implementation status and provided an overview. No issued were found

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

SLR Notes:

- | | | | |
|-----------|--|-------------------------------------|-----------|
| 13 | Field Observation Areas Observed (check all that apply)
Info Only = No Points | Info Only | Info Only |
| a. | Abandonment | <input type="checkbox"/> | |
| b. | Abnormal Operations | <input type="checkbox"/> | |
| c. | Break-Out Tanks | <input type="checkbox"/> | |
| d. | Compressor or Pump Stations | <input type="checkbox"/> | |
| e. | Change in Class Location | <input type="checkbox"/> | |
| f. | Casings | <input type="checkbox"/> | |
| g. | Cathodic Protection | <input type="checkbox"/> | |
| h. | Cast-iron Replacement | <input checked="" type="checkbox"/> | |
| i. | Damage Prevention | <input type="checkbox"/> | |
| j. | Deactivation | <input type="checkbox"/> | |
| k. | Emergency Procedures | <input type="checkbox"/> | |
| l. | Inspection of Right-of-Way | <input type="checkbox"/> | |
| m. | Line Markers | <input type="checkbox"/> | |
| n. | Liaison with Public Officials | <input type="checkbox"/> | |
| o. | Leak Surveys | <input type="checkbox"/> | |
| p. | MOP | <input type="checkbox"/> | |
| q. | MAOP | <input type="checkbox"/> | |
| r. | Moving Pipe | <input type="checkbox"/> | |
| s. | New Construction | <input checked="" type="checkbox"/> | |

- | | | |
|----|-----------------------------------|-------------------------------------|
| t. | Navigable Waterway Crossings | <input type="checkbox"/> |
| u. | Odorization | <input type="checkbox"/> |
| v. | Overpressure Safety Devices | <input type="checkbox"/> |
| w. | Plastic Pipe Installation | <input checked="" 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 type="checkbox"/> |
| C. | Tapping | <input type="checkbox"/> |
| D. | Valve Maintenance | <input 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 type="checkbox"/> |
| J. | Other | <input type="checkbox"/> |

SLR Notes:

14 Part F: General Comments/Regional Observations

Info Only Info Only

Info Only = No Points

SLR Notes:

Total points scored for this section: 11
Total possible points for this section: 11



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:

Yes, high risk inspection units are identified in the NJBPU Procedures Manual (Section 4c).

BPU performs integrity inspections utilizing IMP protocols. BPU staff reviews LDCs IMP plan and records for details- HCA determination methodology, population density and other factors.

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

SLR Notes:

inspection units correspond with districts for each gas utility

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

SLR Notes:

NJ gas utilities have submitted DIMP plans to the NJBPU Bureau of Pipeline Safety for review in CY 2011.

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

SLR Notes:

BPU pays close attention to cast iron and bare steel replacement programs; and pre-1970 ERW transmission pipeline replacement is currently planned within the NJBPU Accelerated Infrastructure Replacement Program

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:

natural gas damages are mapped, and NJBPU was approved and has performed One Call Grant Projects focused on analyzing data to determine effectiveness of the State damage prevention program. In addition, please see information provided for Program Evaluation Part E ? Damage Prevention Initiatives

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

SLR Notes:

BPU receives and all gas operator reports are reviewed for accuracy and compared with main and service replacement information, and main extension projects

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

SLR Notes:

Yes, trends are analyzed for: cast iron and bare steel replacement, leak response reports, cast iron breaks, whether amount of open leaks are increasing or decreasing, etc

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

SLR Notes:

Yes, all incident / accident reports are reviewed for accuracy in conjunction with NJBPU investigations and on-site coordination with gas operators

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:

Yes, the New Jersey Administrative Code gas pipeline regulations were revised as a result of performance measures and trends identified through NJBPU Bureau of Pipeline Safety inspections including operator qualification, construction practices, welding, fusion, tracer wire, depth of cover, etc

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:

Yes, 30 OQ Protocol 9 inspections were entered into the PHMSA database in 2010

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:

There were no gas operator notifications submitted for 2010

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:

Yes, the IMP Federal Protocol forms were uploaded into the IMDB

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:

Yes, but no plastic pipe defects or leak concerns were identified in 2010

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:

Yes, NJBPU has confirmed that intrastate gas transmission operators have submitted information into the National Pipeline Mapping System

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:

Yes, information has been shared at NAPSIR meetings and through e-mail correspondence

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

SLR Notes:

Yes, major incidents / accidents are summarized in a spreadsheet.

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

SLR Notes:

Yes, incident / accident reports may contain root cause analysis and determination

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

Info Only Info Only

Info Only = No Points

SLR Notes:

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

.5

0.5

Yes = .5 No = 0

SLR Notes:

Yes, NJBPU inspectors have attended root cause analysis training

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:

Yes, through NJBPU Bureau of Pipeline Safety personnel attending gas operators' quarterly meetings, NJ Common Ground Alliance newsletters, mapping of statewide natural gas damages, etc

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

.5

0.5

Yes = .5 No = 0

SLR Notes:

Yes, through NJBPU Bureau of Pipeline Safety personnel attending gas operators' quarterly meetings, NJ Common Ground Alliance newsletters, mapping of statewide natural gas damages, etc

22 Part G: General Comments/Regional Observations

Info Only Info Only

Info Only = No Points

SLR Notes:

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:

1. BPU steel replacement in 2010- 88 miles of CI and 58 miles of bare steel
2. BPU completed IMP baseline assessments of 4 operators in NJ
3. BPU worked with Rutgers Univ Center for Advanced Infrastructure & Trans (CAIT) and was awarded \$200,000 for a 2-year project.
4. BPU strongly promotes damage Prevention. 811 logo was placed on LNG tank near NJTPKexit 16 W

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

1. NJ BPU has taken strong initiative for pipe replacementand State has Accelerated Energy Infrastructure Investment Program slated for completion by Oct 2012. \$238 million for qualifying projects: CI 92 and bare steel 80 miles of mains; 12.5 miles of pre-1971 ERW and 5.9 miles of coated steel

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

1. NJ BPU has taken strong initiative for pipe replacement. CI- 88 miles, Bare steel 58 miles and 19,812 bare steel services.
2. State has Accelerated Energy Infrastructure Investment Program slated for completion by Oct 2012. \$238 million for qualifying projects: CI 92 and bare steel 80 miles of mains; 12.5 miles of pre-1971 ERW and 5.9 miles of coated steel

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

SLR Notes:

NJ BPU actively participated in NAPSR and PHMSA survey requests

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

SLR Notes:

NJ BPU shared at ER NAPSR meeting and NAPSR/ PHMSA e-mail communications.

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

SLR Notes:

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:

Drug Alcohol Testing Plan reviews were conducted by BPU staff in 2009 and 2010

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

BPU staff performed record reviews. All NJ gas utilities were inspected in 2010

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

BPU staff performed verification when reviewing the records.

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:

OQ Plan reviews were conducted in 2008 and 2009 for all NJ gas utilities

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

SLR Notes:

Operator Qualification (OQ) Plan reviews were conducted using the PHMSA inspection forms (Protocols 1 thru 8) and the last reviews for all gas utilities were performed in 2008 and 2009. All NJ gas utilities are currently being done again in 2011.

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

OQ Covered task evaluations were performed using PHMSA Protocol 9 inspections forms. A total of 30 Protocol 9 inspections were performed in 2010 and were entered into the PHMSA Operator Qualification Database (OQDB).

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

OQ verifications were performed on an ongoing basis and requalification dates were checked during construction inspections, incident investigations, and OQ task evaluations.

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:

NJ Bureau of Pipeline Safety has verified that all NJ gas utility operators with transmission pipelines have IMP programs and these programs have been inspected by the Bureau Inspection Staff.

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

During IMP Plan reviews, each operator was inspected to verify that potential impact radii were correctly calculated and that high consequence area definitions were applied properly

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

All IMPs for NJ gas utility operators were inspected for compliance with Subpart O.

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

NJ Bureau of Pipeline Safety is monitoring progress on operator's IMP inspections, tests, and remedial actions during IMP inspections and the review of IMP performance reports, including that they are being performed in accordance with the operator's IMP Plan. In addition, in November 2010, NJ requested that each operator complete its baseline assessments of all transmission pipeline HCA's by December 31, 2011 (one year ahead of the Federal mandated date of December 31, 2012).

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

NJ Bureau of Pipeline Safety is verifying that operators are examining their transmission pipeline routes for the appearance of new HCA's as was required by the IMP Rule and is contained in each operator's IMP Plan.

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:

NJ BPU staff verified that each gas operator has developed a continuing public awareness program

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

NJ BPU inspection staff reviewed the content of the PAP programs for compliance with 192.616

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

NJ BPU inspection staff has verified that operators are conducting the public awareness activities called for in its programs and has summary information from each operator on the activities that have been conducted on an annual basis.

- | | | | |
|-----------|---|-----------|-----------|
| 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 |
|-----------|---|-----------|-----------|

SLR Notes:

NJ is in the process of verifying that operators have evaluated their Public Awareness Programs (PAP) for effectiveness as described in Recommended Practice RP1162.

- | | | | |
|-----------|---|-----------|-----------|
| 17 | Part I: General Comments/Regional Observations
Info Only = No Points | Info Only | Info Only |
|-----------|---|-----------|-----------|

SLR Notes:

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