



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

1200 New Jersey Avenue SE
Washington DC 20590

2013 Natural Gas State Program Evaluation

for

Oklahoma Corporation Commission

Document Legend

PART:

- O -- Representative Date and Title Information
- A -- Progress Report and Program Documentation Review
- B -- Program Inspection Procedures
- C -- Program Performance
- D -- Compliance Activities
- E -- Incident Investigations
- F -- Damage Prevention
- G -- Field Inspections
- H -- Interstate Agent State (If Applicable)
- I -- 60106 Agreement State (If Applicable)

2013 Natural Gas State Program Evaluation -- CY 2013
Natural Gas

State Agency: Oklahoma

Agency Status:

Date of Visit: 04/07/2014 - 08/29/2014

Agency Representative: Dennis Fothergill, Pipeline Safety Manager

PHMSA Representative: Patrick Gaume

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

Name/Title: Mr. Bob Anthony, Chairman

Agency: Oklahoma Corporation Commission

Address: 2101 N. Lincoln Blvd.

City/State/Zip: Oklahoma City, Oklahoma 73105

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 2013 (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 progress report attachments provide the basis for determining the state's pipeline safety grant allocation.

Field Inspection (PART G):

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 G, the PHMSA representative should include a written summary which thoroughly documents the inspection.

Scoring Summary

PARTS		Possible Points	Points Scored
A	Progress Report and Program Documentation Review	10	10
B	Program Inspection Procedures	15	15
C	Program Performance	46	46
D	Compliance Activities	15	15
E	Incident Investigations	9	9
F	Damage Prevention	8	8
G	Field Inspections	12	12
H	Interstate Agent State (If Applicable)	0	0
I	60106 Agreement State (If Applicable)	0	0
TOTALS		115	115
State Rating			100.0

PART A - Progress Report and Program Documentation Review

Points(MAX) Score

1	Accuracy of Jurisdictional Authority and Operator/Inspection Units Data - Progress Report Attachment 1 (A1a) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: A1. Yes, Attachment 1 agrees with Attachment 3 & 8.			
2	Review of Inspection Days for accuracy - Progress Report Attachment 2 (A1b) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: A2. Yes. Attachment 2 is in agreement with OCC State records.			
3	Accuracy verification of Operators and Operators Inspection Units in State - Progress Report Attachment 3 (A1c) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: A3. Yes. Attachment 3 is correct; discrepancies with the operator lists out of PDM were explained.			
4	Were all federally reportable incident reports listed and information correct? - Progress Report Attachment 4 (A1d) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: A4. Yes. 2 Gas Distribution incident, 2 Gas Transmission incidents & 4 HL accident.			
5	Accuracy verification of Compliance Activities - Progress Report Attachment 5 (A1e) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: A5. Yes. Attachment 5 is internally consistent and in agreement with State records.			
6	Were pipeline program files well-organized and accessible? - Progress Report Attachment 6 (A1f, A4) Yes = 2 No = 0 Needs Improvement = 1	2	2
Evaluator Notes: A6. Yes, the paper files are in the Pipeline Section Office area and are well organized.			
7	Was employee listing and completed training accurate and complete? - Progress Report Attachment 7 (A1g) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: A7. Yes. This information is auto loaded from the TQ database. Managers and individual inspectors double check their records. They also closely track the courses taken by every inspector.			
8	Verification of Part 192,193,198,199 Rules and Amendments - Progress Report Attachment 8 (A1h) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: A8. Yes. The Oklahoma laws are properly cross referenced to Attachment 8.			
9	List of Planned Performance - Did state describe accomplishments on Progress Report in detail - Progress Report Attachment 10 (H1-3)	1	1

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

A9. Yes. Staff status-historically authorized for 13 FTE, reduced to 12 FTE in 2008; On 4/23/12-14 FTE authorized & had 14 employees. Authorized to 15 FTE effective 7/1/13. Hired the 15th employee on September 23rd, 2013. In transition toward electronic files, Continuing efforts to implement all 9 elements of Damage prevention. Is dedicating personnel resources toward CRM, PAPEI, IMP, OQ, & D&A inspections in addition to continuing with Standard, Special, & Construction inspections & responding to incidents and accidents.

10 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

A10. The Pipeline Safety Department was authorized to 15 FTE effective 7/1/13, and hired the 15th employee on September 23rd, 2013. The transition toward electronic files is continuing. Continuing efforts to implement all 9 elements of Damage prevention were made, as House Bill 2533, to extend authority over excavators, was signed into Law and became effective July 1st, 2014. The Rule Making to implement the new Law is being developed. The Department is dedicating personnel resources toward CRM, PAPEI, IMP, OQ, & D&A inspections in addition to continuing with Standard, Special, & Construction inspections & responding to incidents and accidents.

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

PART B - Program Inspection Procedures

Points(MAX) Score

- | | | | |
|----------|--|---|---|
| 1 | Standard Inspections (B1a)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
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Evaluator Notes:

B1 Yes, have procedures in SOP pages 1-11. The SOP shows that Units are inspected every 2-3 years, but certain Systems in large Units may be on a 4-5 year rotation. Std insp 1-5 years per risk ranking.

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| 2 | IMP Inspections (including DIMP) (B1b)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

B2. Yes. IMP plan review is on an 8 yr cycle. It is presently risk ranked based on HCA miles in Oklahoma. Changes in HCAs are addressed during Std Inspections using their Oklahoma Addendum. This round of scheduling is being driven by inspection frequencies.

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| 3 | OQ Inspections (B1c)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

B3 Yes. OQ plan review is on a 10 yr cycle and Protocol 9 inspections are included in most Standard Inspections.

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| 4 | Damage Prevention Inspections (B1d)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

B4. Yes, Damage Prevention is part of the Std Insp; see SOP pgs 2 & 3 of 11.

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| 5 | On-Site Operator Training (B1e)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

B5. Yes, see SOP pg 7 of 11.

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| 6 | Construction Inspections (B1f)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

B6 Yes. These inspections will be conducted as needed and as per the SOP pg 4 of 11.

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| 7 | Incident/Accident Investigations (B1g)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
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Evaluator Notes:

B7 Yes. These inspections will be conducted as needed and as per the SOP pg 6 of 11.

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| 8 | Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements? (B2a-d, G1,2,4)
Yes = 6 No = 0 Needs Improvement = 1-5 | 6 | 6 |
|----------|---|---|---|

- | | | | |
|---|--------------------------------------|--------------------------|---|
| a. Length of time since last inspection | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b. Operating history of operator/unit and/or location (includes leakage, incident and compliance activities) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c. Type of activity being undertaken by operators (i.e. construction) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d. Locations of operators inspection units being inspected - (HCA's, Geographic areas, Population Density, etc) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

- e. Process to identify high-risk inspection units that includes all threats - (Excavation Damage, Corrosion, Natural Forces, Outside Forces, Material and Welds, Equipment, Operators and any Other Factors)

Yes ☒ No ☐ Needs Improvement ☐

- f. Are inspection units broken down appropriately?

Yes ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

B8 YES, the various risk factors have been identified and written into the SOP pages 6-7 of 11. The database has been developed, is being used, and is being reviewed and refined for its value. Right now the value of the database is minimal to moderate. Discussion with other state program managers is on-going.

9 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

B9. The OCC was successful in completing the PAPEI Inspections before 12/31/2013 and is on track to complete the DIMP Inspections by 12/31/2014. The OCC has increased staff to 15 FTE to address IMP, OQ, CRM, PAPEI, etc, while continuing with Standard, Construction, and Incident/Accident inspections. John Harper and his staff are tasked to schedule and coordinate these newer inspections and to be a source of management support. It is everyone's goal to shrink re-inspection intervals to 7 years or less for every type of inspection.

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

PART C - Program Performance

Points(MAX) Score

- 1** Was ratio of Total Inspection person-days to total person days acceptable? (Director of State Programs may modify with just cause) Chapter 4.3 (A12) 5 5
Yes = 5 No = 0

A. Total Inspection Person Days (Attachment 2):
1208.51

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 8.65 = 1903.00

Ratio: A / B
1208.51 / 1903.00 = 0.64

If Ratio \geq 0.38 Then Points = 5, If Ratio $<$ 0.38 Then Points = 0
Points = 5

Evaluator Notes:

C1 Yes. A=1208.5 person days. B=8.65 man years * 220 = 1903 person days. A/B= .635 .635>.38, okay.

- 2** Has each inspector and program manager fulfilled the T Q Training Requirements? (See Guidelines for requirements) Chapter 4.4 (A8-A11, G19) 5 5
Yes = 5 No = 0 Needs Improvement = 1-4

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|----|--|--------------------------------------|--------------------------|---|
| a. | Completion of Required OQ Training before conducting inspection as lead? | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b. | Completion of Required DIMP*/IMP Training before conducting inspection as lead? *Effective Evaluation CY2013 | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c. | Root Cause Training by at least one inspector/program manager | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d. | Note any outside training completed | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

Evaluator Notes:

C2 Yes, all inspectors & managers with 3+ years of service have passed all TQ core courses, and the new inspectors are taking courses and are scheduled for the rest. All Leads have the necessary courses.

- 3** Did state records and discussions with state pipeline safety program manager indicate adequate knowledge of PHMSA program and regulations? Chapter 4.1,8.1 (A5) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

C3 Yes, The Program Managers show a professional knowledge of the regulations.

- 4** Did state respond to Chairman's letter on previous evaluation within 60 days and correct or address any noted deficiencies? (If necessary) Chapter 8.1 (A6-7) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

C4 Yes, The OCC Chairman responded in 60 days of receipt (8/7/13 & 10/7/13). Both items were addressed.

- 5** Did State hold PHMSA TQ Seminar in Past 3 Years? Chapter 8.5 (A3) 2 2
Yes = 2 No = 0

Evaluator Notes:

C5 Yes. OCC uses an 18 month TQ schedule. The last Seminar was in May, 2013; the next one is scheduled for November, 2014; both in Tulsa.

- 6** Did state inspect all types of operators and inspection units in accordance with time intervals established in written procedures? Chapter 5.1 (B3) 5 5
Yes = 5 No = 0 Needs Improvement = 1-4

Evaluator Notes:

C6 Yes, Units are being inspected in accordance with the SOP. Inspections are tracked to the System level & the year and type of inspection are recorded by System. CRM started in 2012. PAPEI started in 2011 & the first round of inspections

were completed by 12/31/13. Re-inspection frequency has been set to a maximum of 5 years. DIMP started in 2012 & target complete by 12/31/14.

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| 7 | Did inspection form(s) cover all applicable code requirements addressed on Federal Inspection form(s)? Did State complete all applicable portions of inspection forms? Chapter 5.1 (B4-5)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|
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Evaluator Notes:

C7. Yes. OCC uses the current federal form supplemented with an addendum sheet. Reviewed 13 inspections with most noting probable violations. The inspections were complete and internally consistent and OCC procedures were followed concerning the PV and followup. Inspections reviewed were: NG-13-501 PAPEI JH, NG-13-456 Municipal Standard JR, HL-13-067 Standard Ron&VE, NG-13-104 Municipal Standard RM, NG-13-740 Municipal Standard RK&DM, NG-13-338 Standard Distr MB&BL, NG-13-143 Transmission Standard MS, NG-13-526 Transmission Incident BC, NG-13-566 Transmission Standard RK&BC, NG-13-361 DIMP JH, NG-13-161 PAPEI JH, HL-13-022 Standard VE&RonS, HL-13-020 Accident VE.

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| 8 | 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) Chapter 5.1 (B7)
Yes = 1 No = 0 | 1 | 1 |
|----------|--|---|---|
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Evaluator Notes:

C8 Yes. It was thought that there was no cast iron in the State; however 150 ft was found in OKC in July, 2012 and immediately abandoned. Detailed checks in the area found no additional cast iron. A regional review found no additional cast iron.

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|----------|---|---|---|
| 9 | 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) Chapter 5.1 (B8)
Yes = 1 No = 0 | 1 | 1 |
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Evaluator Notes:

C9 Yes. It was thought that there was no cast iron in the State; however 150 ft was found in OKC in July, 2012 and immediately abandoned. Detailed checks in the area found no additional cast iron. A regional review found no additional cast iron.

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| 10 | 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) Chapter 5.1 (B9)
Yes = 1 No = 0 | 1 | 1 |
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Evaluator Notes:

C10. Yes, OCC queries the Operator, and addresses it during Standard and OQ inspections. OCC has created an addendum sheet to address this question.

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| 11 | 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? Chapter 5.1 (B10,E5)
Yes = 1 No = 0 | 1 | 1 |
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Evaluator Notes:

C11. Yes, this is part of standard inspections and Incident investigations.

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| 12 | Has the state reviewed Operator Annual reports, along with Incident/Accident reports, for accuracy and analyzed data for trends and operator issues? Data Initiative (G6-9,G16)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
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Evaluator Notes:

C12. Yes, OCC reviews the Form for completeness, miles of pipe, & lost and unaccounted for gas and trends it relative to prior years, also for data accuracy into various columns. Finally the spreadsheet has 17 years of annual report data.

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| 13 | Did state input all applicable OQ, IMP inspection results into federal database in a timely manner? This includes replies to Operator notifications into IMDB database. Chapter 5.1 (G10-12)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|--|---|---|

Evaluator Notes:

C13. Yes, all of the IMP & OQ inspections for 2013 have been uploaded, typically within 60 days of the inspection. There were no Operator notifications in 2013 that needed to be uploaded. The focus in 2013 was to continue to conduct Protocol 9 inspections in every Unit that had a standard inspection. Also started IMP & OQ Plan Reviews.

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| 14 | Has state confirmed intrastate transmission operators have submitted information into NPMS database along with changes made after original submission? (G14)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

C14 Yes. It is a multiple year practice and it is now on the new Standard Inspection Form. In addition OCC receives a NPMS report annually and OCC verifies that ALL operators have submitted their annual updates.

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| 15 | Is the state verifying operators are conducting drug and alcohol tests as required by regulations? This should include verifying positive tests are responded to in accordance with program. 49 CFR 199 (I1-3)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
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Evaluator Notes:

C15 Yes. OCC uses Form 13 for each Standard Inspection Unit and Form 3.1.11 for HQ Plan Reviews.

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| 16 | Is state verifying operators OQ programs are up to date? This should include verification of any plan updates and that persons performing covered tasks (including contractors) are properly qualified and requalified at intervals determined in the operators plan. 49 CFR 192 Part N (I4-7)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
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Evaluator Notes:

C16 Yes, the federal Form is used, and the re-inspections are within the SOP inspection interval. It is also the practice to perform a Protocol 9 inspecting during every Unit inspection.

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| 17 | Is state verifying operator's gas transmission integrity management programs (IMP) are up to date? This should include a previous review of IMP plan, along with monitoring progress on operator tests and remedial actions. In addition, the review should take in to account program review and updates of operators plan(s). 49 CFR 192 Subpart O (I8-12)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
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Evaluator Notes:

C17 Yes, OCC has reviewed every operator for HCAs. Every Gas Operator with an identified HCA has received a full GIMP Inspection. The inspections have been uploaded into the fed database. This question has been added to the Form 1 addendum sheet since November, 2010.

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| 18 | Is state verifying operator's gas distribution integrity management Programs (DIMP)? This should include a review of DIMP plans, along with monitoring progress. In addition, the review should take in to account program review and updates of operators plan(s). 49 CFR 192 Subpart P
DIMP ? First round of program inspections should be complete by December 2014

Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
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Evaluator Notes:

C18. Yes, many DIMP inspections were done in 2012 & 2013, and the remainder will be done in 2014. The federal forms and protocols are being used, The inspections are uploaded into the database within 60 days following the inspection.

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| 19 | Is state verifying operators Public Awareness programs are up to date and being followed. State should also verify operators have evaluated Public Awareness programs for effectiveness as described in RP1162. 49 CFR 192.616 (I13-16) PAPEI Effectiveness Inspections should be complete by December 2013 | 2 | 2 |
|----|---|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

C19 Yes. All PAP were reviewed and resolved with the Operator all the Clearing House and CATS exceptions. PAPEI inspections were started in 2011. Present target for first round of PAPEI Inspections were completed by 12/31/2013.

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| 20 | Does the state have a mechanism for communicating with stakeholders - other than state pipeline safety seminar? (This should include making enforcement cases available to public). (G20-21) | 1 | 1 |
|----|--|---|---|
- Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

C20 Yes, is providing a Pipeline Safety Seminar every eighteen months instead of every 3rd year, Every inspector is providing 5 individual operator training sessions per year (9 inspectors * 5 sessions/inspector = 45 sessions per year), There are also 5 to 10 small operator training seminars given around the State each year. They participate in the Okie One Call (OPAL) public awareness program, also participate with several Operators in their programs, They are continuing to work on the 9 elements from the 2006 PIPES ACT. All Operators have docket access and OCC is moving to establish a Pipeline Safety website where all finalized inspection reports, along with findings of violations, will be available to the public. Currently the Public has rights to request and receive paper and electronic records.

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| 21 | Did state execute appropriate follow-up actions to Safety Related Condition (SRC) Reports? Chapter 6.3 (B6) | 1 | 1 |
|----|---|---|---|
- Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

C21 Yes, Had 0 gas & 3 HL. SRCR are tracked similar to any other inspection, & updates are sent to the Feds.

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| 22 | 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? (G13) | 1 | 1 |
|----|--|---|---|
- Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

C22 Yes. Oklahoma's major Operators are all participants in the Plastic Pipe Study. They have uploaded their information into the study, and have stated they are willing to share their information with other Operators. It is noted that the Operators are not sharing the info with OCC or PHMSA.

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| 23 | Did the state participate in/respond to surveys or information requests from NAPSRS or PHMSA? (H4) | 1 | 1 |
|----|--|---|---|
- Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

C23. Yes, OCC works with NAPSRS, TQ, NTSB, PHMSA, and is on various committees. Dennis Fothergill is on the NAPSRS Committee that asks these questions.

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|----|---|-----------|-----------|
| 24 | If the State has issued any waivers/special permits for any operator, has the state verified conditions of those waivers/special permits are being met? This should include having the operator amend procedures where appropriate. | Info Only | Info Only |
|----|---|-----------|-----------|
- Info Only = No Points

Evaluator Notes:

C24. 4 waivers from OK are in the database, see: <http://phmsa.dot.gov/portal/site/PHMSA/menuitem.ebdc7a8a7e39f2e55cf2031050248a0c/?vgnextoid=b79f176a31416210VgnVCM1000001ecb7898RCRD&vgnnextchannel=7f8da535eac17110VgnVCM1000009ed07898RCRD&vgnnextfmt=print> . There have been no other waivers. The 'Clock Spring' waiver is no longer required.

25 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

C25 The rapid pace of the evolution and change of the Regulations is continuing, but the OCC is committed to meet those changes. Regulation demands and available manpower are regularly reviewed and applied for the most effective results and changes are reflected in the SOP. Staff was increased to 15 FTE in 2013, an all-time high.

Total points scored for this section: 46
Total possible points for this section: 46

PART D - Compliance Activities**Points(MAX) Score**

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- | | | | |
|----------|---|---|---|
| 1 | Does the state have written procedures to identify steps to be taken from the discovery to resolution of a probable violation? Chapter 5.1 (B12-14, B16, B1h)
Yes = 4 No = 0 Needs Improvement = 1-3 | 4 | 4 |
| a. | Procedures to notify an operator (company officer) when a noncompliance is identified | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b. | Procedures to routinely review progress of compliance actions to prevent delays or breakdowns | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |

Evaluator Notes:

D1. Yes, in the Department Guidelines (SOP) pgs 7-9 of 11, & the Commission Rules & Practice, Chapter 13, Part 3 Procedure.

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|----------|--|---|---|
| 2 | Did the state follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? Chapter 5.1 (B11,B18,B19)
Yes = 4 No = 0 Needs Improvement = 1-3 | 4 | 4 |
| a. | Were compliance actions sent to company officer or manager/board member if municipal/government system? | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b. | Were probable violations documented? | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c. | Were probable violations resolved? | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d. | Was the progress of probable violations routinely reviewed? | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |

Evaluator Notes:

D2. Yes, it was done & the mechanism is in the SOP , pg 8 of 11.

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|----------|--|---|---|
| 3 | Did the state issue compliance actions for all probable violations discovered? (B15)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|--|---|---|

Evaluator Notes:

D3. Yes, 69 in 2013, 70 in 2012, 91 in 2011, 54 in 2010, 55 in 2009, 47 in 2008, 105 in 2007, & 87 in 2006.

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|----------|--|---|---|
| 4 | Did compliance actions give reasonable due process to all parties? Including "show cause" hearing if necessary. (B17, B20)
Yes = 2 No = 0 | 2 | 2 |
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Evaluator Notes:

D4 Yes, the mechanism is in the SOP, sec 165:20-13-15. Due process procedures are followed for all parties. In 2013 Two contempt cases were processed.

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|----------|---|---|---|
| 5 | 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) (B27)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

Evaluator Notes:

D5. Yes, Dennis knows the process for civil penalties, and the areas where he doesn't have civil penalty authority. Consideration is given for increased civil penalties due to repeat violations and for egregious violations that damage third parties and threaten human life.

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|----------|---|---|---|
| 6 | Can the State demonstrate it is using their enforcement fining authority for pipeline safety violations?
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|---|---|---|

Evaluator Notes:

D6. Yes. OCC has a history of issuing occasional fines. However, efforts by the Program Manager to start re-inserting a clause, for subjecting the operator to civil penalties if they fail to comply with the original compliance action, were vetoed by senior Commission officials.

7 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

D7 OCC is well able to enforce the regulations. OCC recognizes that increased use of civil penalties will likely be needed.

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

PART E - Incident Investigations

Points(MAX) Score

- 1** Does state have adequate mechanism to receive and respond to operator reports of incidents, including after-hours reports? And did state keep adequate records of Incident/Accident notifications received? Chapter 6 (A2,D1-3) 2 2
Yes = 2 No = 0 Needs Improvement = 1

- a. Acknowledgement of MOU between NTSB and PHMSA (Appendix D) Yes ☒ No ☐ Needs Improvement ☐
b. Acknowledgement of Federal/State Cooperation in case of incident/accident (Appendix E) Yes ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

E1. Yes, Appendix E specifies 1. Determine if safety violations occurred. 2. Determine root causes of the accident if asked by NTSB. 3. Cooperate with NTSB. Yes, the MOU between NTSB and OPS is understood, and OCC fully cooperates with NTSB. Yes, gas incidents are investigated and placed in the files. In addition, the incidents meeting State reporting criteria are in the files.

- 2** If onsite investigation was not made, did state obtain sufficient information from the operator and/or by other means to determine the facts to support the decision to not go on-site? Chapter 6 (D4) 1 1
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

E2. Yes, In 2013, the Federally reportable incidents & accidents were investigated on-site. In addition most state reportable incidents/accidents were investigated on-site. However the SOP provides for telephonic reporting and after-the-fact follow up.

- 3** Were all incidents investigated, thoroughly documented, and with conclusions and recommendations? (D5) 3 3
Yes = 3 No = 0 Needs Improvement = 1-2

- a. Observations and document review Yes ☒ No ☐ Needs Improvement ☐
b. Contributing Factors Yes ☒ No ☐ Needs Improvement ☐
c. Recommendations to prevent recurrences when appropriate Yes ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

E3. Yes, yes, yes, OCC uses the federal Form 11 for incident investigations. The events are documented and Appendix E is followed.

- 4** Did the state initiate compliance action for violations found during any incident/accident investigation? (D6) 1 1
Yes = 1 No = 0

Evaluator Notes:

E4. Yes, the SOP dictates action similar to any other violation.

- 5** 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 report data from operators concerning incidents/accidents and investigate discrepancies) Chapter 6 (D7) 1 1
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

E5. yes, OCC is a full partner with PHMSA and has assisted PHMSA in the past on interstate incidents/accidents to ensure that incident reports are accurate & updated, and the reports are reviewed for completeness & to ensure that a final report is submitted.

- 6** Does state share lessons learned from incidents/accidents? (sharing information, such as: at NAPS Region meetings, state seminars, etc) (G15) 1 1
Yes = 1 No = 0

Evaluator Notes:

E6. Yes, OCC makes a report during the SW Region NAPSR Meeting, and responds as appropriate to email correspondence. In addition, lessons learned are shared at Safety Seminars, trade association meetings, and other training events.

7 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

E7. In 2013 There were 4 significant incidents & 4 significant accidents. Of those 8 events, 3 were due to excavation damage & 4 due to corrosion (2 internal & 2 external). The last incident was due to a F5 tornado. Efforts continue to keep incidents and accidents minimized.

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

PART F - Damage Prevention

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? NTSB (E1)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

F1. Yes, it is addressed in standard inspections during review of line locate and one-call procedures. OCC 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? (E2)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

F2. Yes, it is part of the Standard Inspection Forms for Form 1, Form 2, & Form 3.

- | | | | |
|---|---|---|---|
| 3 | Did the state encourage and promote practices for reducing damages to all underground facilities to its regulated companies? (i.e. such as promoting/adopting the CGA Best Practices encouraging adoption of the 9 Elements, etc.) (E3)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

F3. Yes, OCC gives a One-Call & RP 1162 Seminar every 18 months and it includes T&Q Seminars. They also give a One-Call & RP 1162 Seminar in the annual Small Operator/Municipal presentations. OK requires that one call notifications be made, or Certified Projects be followed, or that pre-engineered & certified projects be followed as their means of enforcing Damage Prevention.

- | | | | |
|---|--|---|---|
| 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? (This can include DIRT and other data shared and reviewed by the pipeline safety program) (E4,G5)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

F4. Yes. OCC has required and received line locates, line hits, and line leaks from the One Call Center and all regulated operators. OCC is using spreadsheet analysis to learn that master meters have almost no risk of line hits. The study of line hits per thousand locates is interesting because the rate varies widely across the various classes of operators. The data includes regulated and non-regulated underground resources.

- | | | | |
|---|--|-----------|-----------|
| 5 | General Comments:
Info Only = No Points | Info Only | Info Only |
|---|--|-----------|-----------|

Evaluator Notes:

F5. OCC has been able to create a credible database and study by requiring the line locate, hit, and leak data. OCC continues to work toward achieving all 9 elements of Damage Prevention including effective civil penalties of excavators who violate the Damage Prevention regulations.

Total points scored for this section: 8
Total possible points for this section: 8

PART G - Field Inspections

Points(MAX) Score

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

Name of Operator Inspected:
Oklahoma Natural Gas Company (op id 14210)
Name of State Inspector(s) Observed:
Mitchell Skinner, Inspector, OCC
Location of Inspection:
523 W Evergreen, Durant, OK 74701
Date of Inspection:
4/7-8/14
Name of PHMSA Representative:
Patrick Gaume

Evaluator Notes:

G1. Oklahoma Natural Gas Company (op id 14210)
Mitchell Skinner, Inspector, OCC 523 W Evergreen, Durant, OK 74701
Manager of Transmission Systems: Lee James 405.556.6480
DOT Contact: Johnny Wilson 918.831.8238 4/7-8/14 Patrick Gaume
Standard Distr & Transmission Inspection ? Form 2 with OCC addendum.

- | | | | |
|----------|---|---|---|
| 2 | Was the operator or operator's representative notified and/or given the opportunity to be present during inspection? (F2)
Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

Evaluator Notes:

G2. Yes, advance notice was given & 13+ operator personnel were present.

- | | | | |
|----------|--|---|---|
| 3 | Did the inspector use an appropriate inspection form/checklist and was the form/checklist used as a guide for the inspection? (New regulations shall be incorporated) (F3)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|--|---|---|

Evaluator Notes:

G3. Yes, Standard Distr & Transmission Inspection ? Form 2 with OCC addendum.

- | | | | |
|----------|---|---|---|
| 4 | Did the inspector thoroughly document results of the inspection? (F4)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

Evaluator Notes:

G4. Yes, I witnessed some records review & a Field review. There was thorough documentation of the portions I witnessed.

- | | | | |
|----------|---|---|---|
| 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.) (F5)
Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

Evaluator Notes:

G5. Yes, multimeter, half cell, hand tools, keys, soap, pressure gauges, paint, line markers.

- | | | | |
|----------|---|---|-------------------------------------|
| 6 | Did the inspector adequately review the following during the field portion of the state evaluation? (check all that apply on list) (F7)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
| | a. Procedures | | <input type="checkbox"/> |
| | b. Records | | <input checked="" type="checkbox"/> |
| | c. Field Activities | | <input checked="" type="checkbox"/> |
| | d. Other (please comment) | | <input type="checkbox"/> |

Evaluator Notes:

G6. Yes, I witnessed Records and Field.

7	Did the inspector have adequate knowledge of the pipeline safety program and regulations? (Evaluator will document reasons if unacceptable) (F8) Yes = 2 No = 0 Needs Improvement = 1	2	2
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Evaluator Notes:

G7. Yes, Mitchell demonstrated a professional knowledge of his inspector duties.

8	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) (F9) Yes = 1 No = 0	1	1
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Evaluator Notes:

G8. Yes, several items of concern were identified: selection of the welding procedure for certain x52 pipe on a recent construction project, some NDT records are not yet available, construction inspector records are not yet available, waiting on additional construction records; in the Field inspection there were some short bolts, some unidentified minor surface connection leaks, & some minor atmospheric corrosion.

9	During the exit interview, did the inspector identify probable violations found during the inspections? (if applicable) (F10) Yes = 1 No = 0	1	1
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Evaluator Notes:

G9. Yes, several items of concern were identified: selection of the welding procedure for certain x52 pipe on a recent construction project, some NDT records are not yet available, construction inspector records are not yet available, waiting on additional construction records; in the Field inspection there were some short bolts, some unidentified minor surface connection leaks, & some minor atmospheric corrosion.

10	General Comments: What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) Other. Info Only = No Points	Info Only	Info Only
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- | | | | |
|----|-------------------------------|-------------------------------------|--|
| 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 checked="" type="checkbox"/> | |
| h. | Cast-iron Replacement | <input type="checkbox"/> | |
| i. | Damage Prevention | <input checked="" 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 checked="" type="checkbox"/> | |
| n. | Liaison with Public Officials | <input type="checkbox"/> | |
| o. | Leak Surveys | <input checked="" type="checkbox"/> | |
| p. | MOP | <input type="checkbox"/> | |
| q. | MAOP | <input checked="" 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 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 type="checkbox"/>
H.	Compliance Follow-up	<input checked="" type="checkbox"/>
I.	Atmospheric Corrosion	<input checked="" type="checkbox"/>
J.	Other	<input type="checkbox"/>

Evaluator Notes:

G10. Fences, locks, component design, air soil interface, atmospheric corrosion, vent screens, nuts and bolts, markers, signs, site cleanliness, pipe exposures, pipe flanges, valves, MAOP, OP, regulators, pipe to soil readings, power & communications.

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

PART H - Interstate Agent State (If Applicable)**Points(MAX) Score**

- | | | | |
|----------|---|---|----|
| 1 | Did the state use the current federal inspection form(s)? (C1)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

H1-8 NA ? not an Interstate Agent.

- | | | | |
|----------|--|---|----|
| 2 | Are results documented demonstrating inspection units were reviewed in accordance with "PHMSA directed inspection plan"? (C2)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

H1-8 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? (C3)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

H1-8 NA ? not an Interstate Agent.

- | | | | |
|----------|--|---|----|
| 4 | Were 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.) (C4)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

H1-8 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? (C5)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

H1-8 NA ? not an Interstate Agent.

- | | | | |
|----------|---|---|----|
| 6 | Did the state give written notice to PHMSA within 60 days of all probable violations found? (C6)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

H1-8 NA ? not an Interstate Agent.

- | | | | |
|----------|--|---|----|
| 7 | Did the state initially submit documentation to support compliance action by PHMSA on probable violations? (C7)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

H1-8 NA ? not an Interstate Agent.

- | | | | |
|----------|--|-----------|-----------|
| 8 | General Comments:
Info Only = No Points | Info Only | Info Only |
|----------|--|-----------|-----------|

Evaluator Notes:

H1-8 NA ? not an Interstate Agent.

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

PART I - 60106 Agreement State (If Applicable)**Points(MAX) Score**

- | | | | |
|----------|--|---|----|
| 1 | Did the state use the current federal inspection form(s)? (B21)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

I1-7 NA ? not a 60106 Agreement State.

- | | | | |
|----------|--|---|----|
| 2 | Are results documented demonstrating inspection units were reviewed in accordance with state inspection plan? (B22)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

I1-7 NA ? not a 60106 Agreement State.

- | | | | |
|----------|---|---|----|
| 3 | 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.) (B23)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

I1-7 NA ? not a 60106 Agreement State.

- | | | | |
|----------|---|---|----|
| 4 | Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? (B24)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

I1-7 NA ? not a 60106 Agreement State.

- | | | | |
|----------|--|---|----|
| 5 | Did the state give written notice to PHMSA within 60 days of all probable violations found? (B25)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

I1-7 NA ? not a 60106 Agreement State.

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|----------|--|---|----|
| 6 | Did the state initially submit adequate documentation to support compliance action by PHMSA on probable violations? (B26)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

I1-7 NA ? not a 60106 Agreement State.

- | | | | |
|----------|--|-----------|-----------|
| 7 | General Comments:
Info Only = No Points | Info Only | Info Only |
|----------|--|-----------|-----------|

Evaluator Notes:

I1-7 NA ? not a 60106 Agreement State.

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