



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

PENNSYLVANIA PUBLIC UTILITY 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: Pennsylvania

Agency Status:

Date of Visit: 09/29/2014 - 10/03/2014

Agency Representative: Paul J. Metro, Manager, David Kline, Civil Engineer & Chris Demarco
Oil & Gas Supervisor, Bob Biggard, Gas Safety Supervisor

Rating:

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

PHMSA Representative: Glynn Blanton, US DOT/PHMSA State Evaluator

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

Name/Title: Robert F. Powelson, Chairman
Agency: Pennsylvania Public Service Commission
Address: 400 North Street, Keystone Building
City/State/Zip: Harrisburg, Pennsylvania 17120

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	7.5
B Program Inspection Procedures	15	15
C Program Performance	46	46
D Compliance Activities	15	15
E Incident Investigations	8	8
F Damage Prevention	8	8
G Field Inspections	12	12
H Interstate Agent State (If Applicable)	1	0
I 60106 Agreement State (If Applicable)	0	0
TOTALS	115	111.5
State Rating		97.0

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:

A review of 2013 Natural Gas Grant Progress report Attachment 1 found the information was entered correctly. No issues.

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| 2 | Review of Inspection Days for accuracy - Progress Report Attachment 2 (A1b)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 0.5 |
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Evaluator Notes:

A review and verification of Attachment 2 found information was not correct. Several errors on the number of inspection day totals for activities and totals were incorrect. Improvement is needed in entering the information correctly. A loss of half a point occurred.

We will notify Carrie Winslow, PHMSA State Programs, to open up FedSTAR for PA PUC to correct the errors in Attachment 2. A notification will be sent to PA PUC when FedSTAR is available.

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| 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 |
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Evaluator Notes:

No issues in the review of Attachment 3 were found or noted. Good reporting of operator's name and ID numbers. No areas of concern.

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| 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 |
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Evaluator Notes:

No issues in the review of Attachment 4 regarding incidents. Three incidents occurred in CY2013. No areas of concern.

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| 5 | Accuracy verification of Compliance Activities - Progress Report Attachment 5 (A1e)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 0 |
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Evaluator Notes:

A review of Attachment 5 found the information not correct. The number of carryover violations plus the number corrected does not match the number of carryover violations at end of CY. Additionally, the number of compliance actions taken is incorrect. Improvement is needed in submitting information correctly. Therefore, a loss of one point occurred.

We will notify Carrie Winslow, PHMSA State Programs, to open up FedSTAR for PA PUC to correct the errors in Attachment 5. A notification will be sent to PA PUC when FedSTAR is available.

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|----------|---|---|---|
| 6 | Were pipeline program files well-organized and accessible? - Progress Report Attachment 6 (A1f, A4)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
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Evaluator Notes:

Yes. No issues or areas of concern.

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|----------|--|---|---|
| 7 | Was employee listing and completed training accurate and complete? - Progress Report Attachment 7 (A1g)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 0 |
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Evaluator Notes:

Same error occurred this year as last year with Attachment 7. A review found the percentage of time in the Supervisor and Inspector category was not entered correctly. If a person listed as a Supervisor in Attachment 7 conducts inspection duties for

which inspection person days are included in Attachment 2, time spent as a Supervisor and Inspector/Investigator should be apportioned accordingly in Attachment 7. See "Guidelines for States Participating in the Pipeline Safety Program" Section 2.6.7. Accuracy of information is important. Therefore, a loss of one point occurred.

We will notify Carrie Winslow, PHMSA State Programs, to open up FedSTAR for PA PUC to correct the errors in Attachment 7.

A notification will be sent to PA PUC when FedSTAR is available.

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
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Evaluator Notes:

No issues. The State of Pennsylvania has the same civil penalty amounts as PHMSA and automatic adoption of the federal pipeline safety regulations.

9	List of Planned Performance - Did state describe accomplishments on Progress Report in detail - Progress Report Attachment 10 (H1-3) Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:

No issues.

10	General Comments: Info Only = No Points	Info Only	Info Only
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Evaluator Notes:

Loss of points occurred in this section of the review. See questions Q.2. Q.5 & Q.7.

Total points scored for this section: 7.5
Total possible points for this section: 10

PART B - Program Inspection Procedures

Points(MAX) Score

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

Yes, a review of Pennsylvania Public Utility Commission Gas Safety Inspector Handbook updated on February 2014, Inspection Protocols, Page 21, O & M Inspection. No issues.

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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:

Yes, this is listed in Pennsylvania Public Utility Commission Gas Safety Inspector Handbook, Inspection Protocols, Page 15, IMP (Integrity Management) Program Inspection.

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

Yes, a review of this type of inspection was found listed in Pennsylvania Public Utility Commission Gas Safety Inspector Handbook, Inspection Protocols, Page 22, OQ (Operator Qualification) 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:

Yes, a review of the Pennsylvania Public Utility Commission Gas Safety Inspector Handbook found this item is listed under One Call Verification, page 22 and Third Party Damage pages 12-13.

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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:

A review of Pennsylvania Public Utility Commission Gas Safety Inspector Handbook found this item is covered on OQ Inspection page 22 and Welding & Plastic Pipe Certification inspections. It was suggested again, they consider developing an onsite operator training inspection that would include the training material presented, what they taught, who they taught, when they taught and a list of attendees.

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

Yes, this is listed in Pennsylvania Public Utility Commission Gas Safety Inspector Handbook, Inspection Protocols, page 23, Plastic Pipeline Construction and page 26, Steel Pipeline Construction. No issues.

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

Evaluator Notes:

Yes, a review of Pennsylvania Public Utility Commission Gas Safety Inspector Handbook found this item listed under, Inspection Protocols, page 20, Non Reportable and pages 24-26, Reportable failure investigation.

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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 ☒ No ☐ Needs Improvement ☐
- 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:

Yes, this is listed in Pennsylvania Public Utility Commission Gas Safety Inspector Handbook, Inspection Protocols, page 12, Procedures for determining inspection priorities.

9 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

No loss of points occurred in this section of the review.

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):
1243.00

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 6.87 = 1510.67

Ratio: A / B
1243.00 / 1510.67 = 0.82

If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0
Points = 5

Evaluator Notes:

A.Total Inspection Person Days (Attachment 2)= 1243

B.Total Inspection Person Days Charged to the program(220*Number of Inspection person years(Attachment 7)=1510.6663

Formula:- Ratio = A/B = 1243/1510.6663 = 0.82

Rule:- (If Ratio >=.38 then points = 5 else Points = 0.)

Thus Points = 5

- 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:

- a. Yes, a review of SABA transcript confirmed all inspectors have completed the OQ training course prior to performing an inspection.
- b. Yes, a review of SABA transcript confirmed inspectors have completed the course.
- c. Yes, five inspectors have successfully completed the course. No issues.
- d. Appalachian Underground Corrosion Short Course, Eastern Gas Compressor Roundtable and Appalachian Gas Measurement Short Course were a few of the outside training courses attended by PA PUC staff members.

- 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:

Yes, Paul Metro has over 12 years of experience in Pipeline Safety.

- 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:

Yes, the response letter from Chairman Robert Powelson to Zach Barrett was received on January 23, 2014 and within the required 60 days' time requirement. No issues.

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

Evaluator Notes:

Yes, the last seminar was conducted at State College on October 10-11, 2012. There were 272 participants attended the seminar. PA PUC will be conducting their annual pipeline safety seminar again this year on October 7-8, 2014 at PA State College.

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

A combination of procedures and risk ranking is used to inspect the operators and inspection units. No issues.

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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:

Yes, PA PUC uses the Federal Inspection Forms and breaks the form into smaller sections to conduct their inspections. A review of their files confirmed this was the method used in their inspection reviews. No issues.

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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:

Yes, this item is again accomplished by a letter to all operators in the first quarter of each year. The Formal Letter (FL) lists this question. A review of the FL dated February 20, 2013 confirmed this item was listed. PA PUC reviews the FL and tabulates the data for a report and inspection propriety schedule. No issues.

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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:

Yes, this item is again accomplished by a letter to all operators in the first quarter of each year. The Formal Letter (FL) lists this question. A review of the FL dated February 20, 2013 confirmed this item was listed. PA PUC reviews the FL and tabulates the data for a report and inspection propriety schedule. No issues.

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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:

Yes, this item is again accomplished by a letter to all operators in the first quarter of each year. The Formal Letter (FL) lists this question. A review of the FL dated February 20, 2013 confirmed this item was listed. PA PUC reviews the FL and tabulates the data for a report and inspection propriety schedule. No issues.

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

Evaluator Notes:

Yes, this is again listed in Pennsylvania Public Utility Commission Gas Safety Inspector Handbook. Leak response is tracked on 3rd Party Damage Inspection form, Leak Verification and Leak Survey forms. All incident response times are captured in the Leak Investigation/Complaint form. No issues.

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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:

Yes. PA PUC staff members review the operator's annual reports and record results into a risk assessment spreadsheet. The spreadsheet is shared with all staff members who use the information in scheduling inspection audits. No issues.

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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:

Yes, a review of the IMDB web site indicated one hundred and seven (147) OQ inspection results were unloaded into the federal database in a timely manner. No IMP inspections were conducted in CY2013. A review of IMP database found 12 inspections were performed in CY2012. No issue.

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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:

Yes, this item is again accomplished by a letter to all operators in the first quarter of each year. The Formal Letter (FL) list this question. A review of the FL dated February 20, 2013 confirm this item was listed. No issues.

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

Evaluator Notes:

Yes, this item is again accomplished by a letter to all operators in the first quarter of each year. The Formal Letter (FL) list this question. Additionally this item is reviewed during the drug and alcohol inspection using the PHMSA form. No issues.

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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:

Yes, this is listed in Pennsylvania Public Utility Commission Gas Safety Inspector Handbook, OQ (Operator Qualification) Inspections, page 22. They use the federal inspection form in verifying the operator's compliance. No issues.

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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:

Yes, this is listed in the Pennsylvania Public Utility Commission Gas Safety Inspector Handbook, page 17, IMP (Integrity Management) Inspections. They use the federal inspection form in verifying the operator's compliance. No issues.

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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 | 2 | 2 |
|-----------|---|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, PA PUC inspectors have completed all reviews of the distribution systems. A reminder, all DIMP inspections and the results completed by December, 2014 need to be entered into the federal database. No issues.

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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 |
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Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, PA PUC inspectors have verified and completed a review of the distribution systems public awareness program. They used the federal inspection form during the reviews.

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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)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

Yes, PA PUC continues to hold meetings with company officials about safety related items and general discussions on improvements with the safe transportation of natural gas. Information on safety items are posted on PA PUC web site.

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

Yes, one Safety Related Condition report was submitted in CY2013 from Columbia Gas of Pennsylvania. Reviewed documentation and found no issues pertaining to follow-up with PHMSA Eastern Region.

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

Evaluator Notes:

Yes, this item is accomplished by a letter to all operators in the first quarter of each year. The Formal Letter (FL) lists this question. A review of the FL dated February 20, 2013 confirms this item was listed. No issues.

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

Yes. No issues.

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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 = No Points | Info Only | Info Only |
|-----------|--|-----------|-----------|

Evaluator Notes:

Yes. The waiver granted by PA PUC to National Gas Company pertaining to repairs with Clock Spring? wrap will be checked in CY2015. The other three waivers discussed with Paul Petro, State Program Manager, were determined to be not active and need to be closed.

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| 25 | General Comments:
Info Only = No Points | Info Only | Info Only |
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Evaluator Notes:

No loss of points occurred in this section of the review.

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:

a. Improvement was made by PA PUC and their written procedures in notifying company officers when a non-compliance item was found during an inspection. Procedures have been included about notification of an violation or areas of concern to the company officer in the Pennsylvania Public Utility Commission Gas Safety Inspector Handbook, Enforcement Procedures, page 33.

b. Yes, this item is listed in Pennsylvania Public Utility Commission Gas Safety Inspector Handbook, Enforcement Procedures, page 32-33. No issue.

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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:

a. A review of Notice of Probable Violations letters dated in CY2013 found fifty seven letters with six compliant letters: A review of letters found all letters were mailed to the company officer or board member. No issues.

b. Yes, all violations were listed and provided in each letter.

c. Yes, probable violations were corrected and resolved by a follow-up inspection and/or response from the operator.

d. Yes, PA PUC Administrative Assistant routinely reviews the probable violations along with each Engineer. This is checked on a monthly or quarterly time schedule. No issues.

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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 |
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Evaluator Notes:

Yes, a review of inspection reports and letters confirm compliance action was taken by PA PUC. No issues of concern.

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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:

Yes, a review of letters and procedures confirm PA PUC is providing the operator due process. Additionally, if the operator objects to the non-compliance item an informal meeting or Formal Complaint is issued.

- | | | | |
|----------|---|---|---|
| 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) | 2 | 2 |
|----------|---|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, Paul Metro, Manager Gas Safety is familiar with imposing civil penalties. In CY2013, 7 compliance actions were taken and \$2,160,200 was collected in penalties against operators. No issues.

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

Evaluator Notes:

Yes, PA PUC has imposing civil penalties. In CY2013, 7 compliance actions were taken and \$2,160,200 was collected from several operators. No issues.

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

Evaluator Notes:

No loss of points occurred in this section of the review.

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:

Yes, PA PUC document entitled, "Workflow Processes Gas Safety Division" contains the procedures for receiving and responding to operators on incidents. The procedures include after-hour reporting. No issue.

a. Yes, Program Manager and PA PUC staff is familiar with the MOU between NTSB & PHMSA. This information is listed in the Guidelines for States Participating in the Pipeline Safety document.

b. Yes, Program Manager and PA PUC staff is familiar with the Federal/State Cooperation agreement in case of an incident/accident. No issues.

- 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:

Yes. All incidents and non-reportable incidents are investigated by PA PUC staff. No issues.

- 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:

Yes, a review of the three incidents that occurred in CY2013 was performed. The first incident was on 2/12/13 at 50th Street Broad Avenue in Altoona, the second incident was on 8/7/13 at Lower Merion Twp in Rosemont, and the third was on 8/23/13 at 174 Evans Avenue in Blairsville. Each investigative report was thoroughly documented. No issues.

- 4 Did the state initiate compliance action for violations found during any incident/accident investigation? (D6) 1 1

Yes = 1 No = 0

Evaluator Notes:

Yes. Two of the three incidents resulted in violations being cited and civil penalties being assessed to the operator. No issues.

- 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 NA

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

NA

- 6 Does state share lessons learned from incidents/accidents? (sharing information, such as: at NAPSR Region meetings, state seminars, etc) (G15) 1 1

Yes = 1 No = 0

Evaluator Notes:

Yes, Paul Metro shared the results of PA PUC's incident investigations in CY 2013 with the New England Pipeline Safety Representatives (NEPSR). The NEPSR meeting was held in Vermont. No issues.

7 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

No loss of point occurred in this section of the review.

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

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:

Yes, this item is accomplished by a letter to all operators in the first quarter of each year. The Formal Letter (FL) lists this item as question 10. All operator responses are reviewed by staff members for compliance. No issues.

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

Yes, this item is accomplished by two methods. One is a separate inspection on operator's damage prevention tickets. The second method is the form letter mailed to each operator in the first quarter of each year. The Formal Letter (FL) lists this item as question number 8. No issues.

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

Yes, this item is reviewed with the operator during inspections and discussions at PA PUC's Pipeline Safety Seminar.

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

Yes, they collect data on trends on the number of pipeline damages per 1,000 locate request. In CY2013, the ratio per 1,000 locate request for all operators in the State of PA was 3.8 percent. No areas of concern were found or noted..

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

Evaluator Notes:

No loss of points occurred in this section of the review.

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 OnlyInfo Only |
|----------|---|--------------------|

Name of Operator Inspected:
Columbia Gas of Pennsylvania

Name of State Inspector(s) Observed:
Chris Demarco, Oil & Gas Supervisor, Israel Gray, Gas Safety Engineer, David Kline,
Gas Safety Engineer & Bob Biggard, Gas Safety Engineer

Location of Inspection:
Cranberry, PA

Date of Inspection:
September 30, 2014

Name of PHMSA Representative:
Glynn Blanton, US DOT State Programs

Evaluator Notes:

This was a standard inspection plastic pipeline construction review. A meeting was conducted at Columbia Gas Company offices in Cransberry, PA. Company representatives present include the following: Howard Heasley, Mike Leiendecker: Construction Leader, Justin Magestro, Compliance Specialist 2 and Ed Byrd, Construction Specialist.

- | | | |
|----------|---|----|
| 2 | Was the operator or operator's representative notified and/or given the opportunity to be present during inspection? (F2)
Yes = 1 No = 0 | 11 |
|----------|---|----|

Evaluator Notes:

Yes, Chris Demarco, Oil & Gas Supervisor notified Mike Leiendecker, Construction Leader, by email on September 15, 2014.

- | | | |
|----------|--|----|
| 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 | 22 |
|----------|--|----|

Evaluator Notes:

Yes, Chris Demarco, Oil & Gas Supervisor, used PA Public Utility Construction Plastic Pipeline Construction form. The form contained information on design, joining, construction requirements, customer meters, service regulators, service lines & operator qualifications.

- | | | |
|----------|---|----|
| 4 | Did the inspector thoroughly document results of the inspection? (F4)
Yes = 2 No = 0 Needs Improvement = 1 | 22 |
|----------|---|----|

Evaluator Notes:

Yes, Chris Demarco, Oil & Gas Supervisor, was very thorough in his review of the construction projects. One of the current projects being installed was identified to perform a filed inspection. The location of the pipeline to be reviewed was located at Means Avenue in the Allegheny County area.

- | | | |
|----------|---|----|
| 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 | 11 |
|----------|---|----|

Evaluator Notes:

Yes, operator representatives provided maps, drawings and records of the projects completed or being constructed in the next month.

- | | | |
|----------|---|-------------------------------------|
| 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 | 22 |
| | a. Procedures | <input checked="" type="checkbox"/> |
| | b. Records | <input checked="" type="checkbox"/> |
| | c. Field Activities | <input type="checkbox"/> |

d. Other (please comment)

☐

Evaluator Notes:

A review of construction prints, records and pressure testing documentation was checked. No issues.

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:

Chris Demarco, Oil & Gas Supervisor, has over six years experience in pipeline safety and has successfully completed all TQ courses.

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:

Yes, an exit interview was conducted. No areas of concerns or violations were found.

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:

No violations were found.

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 type="checkbox"/>
h.	Cast-iron Replacement	<input checked="" 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 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 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"/> |

Evaluator Notes:

A review of the construction project records and documentations was conducted, Due to weather conditions, we were unable to witness the installation new PE pipeline and removal of the existing cast iron pipe.

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:

NA.

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

NA.

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

NA.

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

NA.

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- | | | | |
|----------|--|---|---|
| 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 | 0 |
|----------|--|---|---|

Evaluator Notes:

NA.

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

NA.

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

NA.

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

Evaluator Notes:

NA.

Total points scored for this section: 0
Total possible points for this section: 1

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:

NA.

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

NA.

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

NA.

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

NA.

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

NA.

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

NA.

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

Evaluator Notes:

NA.

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