



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

1200 New Jersey Avenue SE  
Washington DC 20590

# 2014 Hazardous Liquid State Program Evaluation

for

Alabama Public Service 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 -- Accident Investigations
- F -- Damage Prevention
- G -- Field Inspections
- H -- Interstate Agent State (if applicable)
- I -- 60106 Agreement State (if applicable)



2014 Hazardous Liquid State Program Evaluation -- CY 2014  
Hazardous Liquid

**State Agency:** Alabama

**Agency Status:**

**Date of Visit:** 05/11/2015 - 05/22/2015

**Agency Representative:** Wallace Jones, Sr. - Administrator, Gas Pipeline Safety

**PHMSA Representative:** Patrick Gaume

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

**Name/Title:** Twinkle Andress Cavanaugh, President

**Agency:** Alabama Public Service Commission

**Address:** 100 N. Union St., Suite 800

**City/State/Zip:** Montgomery, Alabama 36104

**Rating:**

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

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**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 2014 (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.

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**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.

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**Scoring Summary**

**PARTS**

**Possible Points    Points Scored**

A    Progress Report and Program Documentation Review  
B    Program Inspection Procedures  
C    Program Performance  
D    Compliance Activities  
E    Accident Investigations  
F    Damage Prevention  
G    Field Inspections  
H    Interstate Agent State (if applicable)  
I    60106 Agreement State (if applicable)

10  
13  
42  
15  
6  
8  
12  
0  
0

9.5  
13  
40  
15  
6  
8  
12  
0  
0

**TOTALS**

**106                    103.5**

**State Rating .....**

**97.6**

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# PART A - Progress Report and Program Documentation Review

Points(MAX) Score

- |          |   |   |   |
|----------|---|---|---|
| <b>1</b> | Accuracy of Jurisdictional Authority and Operator/Inspection Units Data - Progress Report Attachment 1<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|---|---|---|

Evaluator Notes:

A1. YES. Attachment 1 is accurate & is in agreement with attachment 3 & 8.

- |          |  |   |   |
|----------|--|---|---|
| <b>2</b> | Review of Inspection Days for accuracy - Progress Report Attachment 2<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|--|---|---|

Evaluator Notes:

A2. Yes. Attachment 2 is accurate & matched the APSC's 2014 inspection records.

- |          |  |   |   |
|----------|--|---|---|
| <b>3</b> | Accuracy verification of Operators and Operators Inspection Units in State - Progress Report Attachment 3<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|--|---|---|

Evaluator Notes:

A3. Yes. Attachment 3 is accurate. The APSC's listing of operators and units matched the spreadsheet listing kept by the APSC. The number of units on Attachment 3 matched the Attachment 1 tally.

- |          |  |   |   |
|----------|--|---|---|
| <b>4</b> | Were all federally reportable incident reports listed and information correct? - Progress Report Attachment 4<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|--|---|---|

Evaluator Notes:

A4. Yes. Attachment 4 is accurate. There were no intrastate HL significant accidents.

- |          |  |   |   |
|----------|--|---|---|
| <b>5</b> | Accuracy verification of Compliance Activities - Progress Report Attachment 5<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|--|---|---|

Evaluator Notes:

A5. Yes. Attachment 5 is accurate. We discussed that the 4 PV carried over from prior years may be very old and may have been addressed but may lack some item of paperwork to be closed.

- |          |   |   |   |
|----------|---|---|---|
| <b>6</b> | Were pipeline program files well-organized and accessible? - Progress Report Attachment 6<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

Evaluator Notes:

A6. Yes. Attachment 6 is accurate. APSC is in transition from paper to electronic. Currently the 'official' records are in paper form. The records are found as appropriate on the 9th floor. I advised that the electronic files need to be backed up into the main frame database.

- |          |  |   |     |
|----------|--|---|-----|
| <b>7</b> | Was employee listing and completed training accurate and complete? - Progress Report Attachment 7<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 0.5 |
|----------|--|---|-----|

Evaluator Notes:

A7. NI. 0.5 of 1 point. Some math errors for inspector time dedicated for HL were discovered and a corrected report will be submitted. The training records were correct.

- |          |   |   |   |
|----------|---|---|---|
| <b>8</b> | Verification of Part 195,198,199 Rules and Amendments - Progress Report Attachment 8<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|---|---|---|

Evaluator Notes:

A8. Yes. Attachment 8 appears to be correct. No discrepancies were found with the APSC's Attachment 8 information. The APSC does not have civil penalty levels substantially the same as PHMSA. Legislation has been introduced to raise the APSC's civil penalty level to be substantially the same as PHMSA.

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<b>9</b>	List of Planned Performance - Did state describe accomplishments on Progress Report in detail - Progress Report Attachment 10	1	1
	Yes = 1 No = 0 Needs Improvement = .5		

Evaluator Notes:

A9. Yes. No issues identified with Attachment 10. It is s a good description of the APSC's program.

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<b>10</b>	General Comments:	Info Only	Info Only
	Info Only = No Points		

Evaluator Notes:

A10. Yes. The Progress Report was reasonably done. We discussed the impact of typos and math errors.

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Total points scored for this section: 9.5  
Total possible points for this section: 10



## PART B - Program Inspection Procedures

Points(MAX) Score

- |   |  |   |   |
|---|--|---|---|
| 1 | Standard Inspection procedures should give guidance to state inspectors that insure consistency in all inspections conducted by the state? The following elements should be addressed at a minimum - pre-inspection activities, inspection activities, post-inspection activities. | 2 | 2 |
|---|--|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

B1. Yes. APS Operations Plan Sec V subsection B&C; &G; & S,T,& U.

- |   |   |   |   |
|---|---|---|---|
| 2 | IMP Inspection procedures should give guidance to state inspectors that insure consistency in all inspections conducted by the state? The following elements should be addressed at a minimum - pre-inspection activities, inspection activities, post-inspection activities. | 1 | 1 |
|---|---|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

B2. Yes. APS Operations Plan Sec V subsection B&C; & N & P; & S,T,& U.

- |   |  |   |   |
|---|--|---|---|
| 3 | OQ Inspection procedures should give guidance to state inspectors that insure consistency in all inspections conducted by the state? The following elements should be addressed at a minimum - pre-inspection activities, inspection activities, post-inspection activities. | 1 | 1 |
|---|--|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

B3. Yes. APS Operations Plan Sec V subsection B&C; &I; & S,T,& U.

- |   |   |   |   |
|---|---|---|---|
| 4 | Damage Prevention Inspection procedures should give guidance to state inspectors that insure consistency in all inspections conducted by the state? The following elements should be addressed at a minimum - pre-inspection activities, inspection activities, post-inspection activities. | 1 | 1 |
|---|---|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

B4. Yes. APS Operations Plan Sec V subsection B&C; &M; & S,T,& U.

- |   |  |   |   |
|---|--|---|---|
| 5 | Any operator training conducted should be outlined and appropriately documented as needed. | 1 | 1 |
|---|--|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

B5. Yes. APS Operations Plan Sec V subsection L.

- |   |  |   |   |
|---|--|---|---|
| 6 | Construction Inspection procedures should give guidance to state inspectors that insure consistency in all inspections conducted by the state? The following elements should be addressed at a minimum - pre-inspection activities, inspection activities, post-inspection activities. | 1 | 1 |
|---|--|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

B6. Yes. APS Operations Plan Sec V subsection H. Also B&C; & S,T,& U. The State Form appears adequate but I advised that APSC staff should critically compare their state form against Form 05 & Form 07, which are the federal construction forms for NG & HL.

- |   |   |   |   |
|---|---|---|---|
| 7 | Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements? | 6 | 6 |
|---|---|---|---|

Yes = 6 No = 0 Needs Improvement = 1-5

- |    |   |                                      |                          |   |
|----|---|--------------------------------------|--------------------------|---|
| a. | Length of time since last inspection (Within five year interval)  | 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 area, 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 <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| f. | Are inspection units broken down appropriately?   | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

Evaluator Notes:

B7. Yes, APSC uses a detailed spreadsheet and also APS Operations Plan Appendix D (mostly for Standard insp), Also Sec VI subsection A Background (specifically for construction, incidents & accidents).

## 8 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

B8. Yes. The APSC procedures generally complied with the requirements of Part B of this evaluation. Full points were awarded in this Section.

Total points scored for this section: 13  
Total possible points for this section: 13



## 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 5 5  
Yes = 5 No = 0

A. Total Inspection Person Days (Attachment 2):  
34.00

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):  
220 X 0.25 = 54.08

Ratio: A / B  
34.00 / 54.08 = 0.63

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

### Evaluator Notes:

C1. Yes. Attachment 7 is being amended. HL Total Insp Person Days is 34. Total insp person days charged to the Program has been revised to .25 years or 55 days. The ratio is 34/55=0.618. 0.618 $>$ 0.38.

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

- |    |  |                                      |                          |   |
|----|--|--------------------------------------|--------------------------|---|
| 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 IMP Training before conducting inspection as lead   | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c. | Root Cause Training by at least one inspector/prgram 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"/> |
| e. | Verify inspector has obtained minimum qualifications to lead any applicable standard inspection as the lead inspector. | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

### Evaluator Notes:

C2. Yes, Yes, Yes, Yes, Yes. All lead inspectors are qualified to Standard, imp, OQ, & 3 inspectors have taken Root Cause. Outside training includes several inspectors with extensive industry experience, H2S training, Offshore Training, & current HAZWOPER Certification

- 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 2 2  
Yes = 2 No = 0 Needs Improvement = 1

### Evaluator Notes:

C3. Yes. Wallace Jones demonstrates a professional knowledge of the Pipeline Safety Program. He has also completed the required TQ classes and most electives too.

- 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 2 2  
Yes = 2 No = 0 Needs Improvement = 1

### Evaluator Notes:

C4. Yes. Letters were dated 5/9 & 7/7, is within the 60 day response time, especially considering mail time. All three required items were addressed.

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

### Evaluator Notes:

C5. Yes. The last seminar was held in December of 2014. The APSC conducts its seminar annually. In addition APSC co-hosts the annual TQ Seminar in New Orleans.

- 6 Did state inspect all types of operators and inspection units in accordance with time intervals established in written procedures? Chapter 5.1 5 3

Yes = 5 No = 0 Needs Improvement = 1-4

Evaluator Notes:

C6. NI. 3 of 5 points. The frequency of Standard Inspections are in good order. PAPEI are in good order. Construction & incident inspections are fine. 3 of 8 LIMP inspections are beyond the 5 yr frequency. 33 of 35 TIMP inspections are beyond the 5 yr frequency. 137 of 141 OQ Program inspections are beyond the 5 yr frequency.

- 
- |   |   |   |   |
|---|---|---|---|
| 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?<br>Chapter 5.1 | 2 | 2 |
|---|---|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

C7. Yes. The State inspection forms are adequate and APSC uses the Federal Forms every 3rd year. A sampling of inspection files were reviewed to verify that the forms are filled out.

- 
- |   |  |   |   |
|---|--|---|---|
| 8 | Did the state review operator procedures for determining areas of active corrosion on liquid lines in sufficient detail? (NOTE: PHMSA representative to describe state criteria for determining areas of active corrosion) | 1 | 1 |
|---|--|---|---|

Yes = 1 No = 0

Evaluator Notes:

C8. Yes. it is covered on the Standard Inspection forms.

- 
- |   |   |   |   |
|---|---|---|---|
| 9 | Did the state adequately review for compliance operator procedures for abandoning pipeline facilities and analyzing pipeline accidents to determine their causes? (NOTE: PHMSA representative to describe state criteria for determining compliance with abandoning pipeline facilities and analyzing pipeline accidents to determine their causes) | 1 | 1 |
|---|---|---|---|

Yes = 1 No = 0

Evaluator Notes:

C9. Yes. Question 3 (b) of the APSC's hazardous liquid standard inspection form covers requirements in 195.402 (c) and Question 27 covers the requirement to determine accident causes.

- 
- |    |  |   |   |
|----|--|---|---|
| 10 | Is the state aware of environmentally sensitive areas traversed by or adjacent to hazardous liquid pipelines? (reference Part 195, review of NPMS) | 1 | 1 |
|----|--|---|---|

Yes = 1 No = 0

Evaluator Notes:

C10. Yes. The APSC periodically reviews the National Pipeline Mapping System (NPMS) which indicates environmentally sensitive areas. Question 1(a) on its hazardous liquid standard inspection reviews operators' submittals to the NPMS.

- 
- |    |  |   |   |
|----|--|---|---|
| 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 195.402(c)(5)? | 1 | 1 |
|----|--|---|---|

Yes = 1 No = 0

Evaluator Notes:

C11. Yes, it is covered on the Standard Inspection forms.

- 
- |    |  |   |   |
|----|--|---|---|
| 12 | Has the state reviewed Operator Annual reports, along with Incident/Accident reports, for accuracy and analyzed data for trends and operator issues? | 2 | 2 |
|----|--|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

C12. The APSC reviews the data from annual reports and utilizes a major portion of the data in its risk model.

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:



C13. Yes. the OQ and IMP databases show regular and recent uploading of inspections.

- |           |  |   |   |
|-----------|--|---|---|
| <b>14</b> | Has state confirmed intrastate operators have submitted information into NPMS database along with changes made after original submission?<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|-----------|--|---|---|

Evaluator Notes:

C14. Yes, The APSC includes as part of its IMP inspections a discussion with operators on their submission of updates to the National Pipeline Mapping System.

- |           |   |   |   |
|-----------|---|---|---|
| <b>15</b> | 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<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|

Evaluator Notes:

C15. Yes. The APSC reviews D&A program changes during many HQ inspections & also during many Unit inspections. No D&A inspections were done in 2013 or 2014. Advised APSC that the D&A reviews must be done in 2015 to be in compliance with its own procedures.

- |           |   |   |   |
|-----------|---|---|---|
| <b>16</b> | 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 195 Part G<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|

Evaluator Notes:

C16. Yes. All operators' OQ programs have been inspected. The APSC reviews compliance with Protocol 9 during each Standard Inspection. The OQ database also shows that the APSC has continually uploaded the results of Protocol 9 inspections. The APSC continued reviewing the OQ field portion (Protocol 9) during 2014.

- |           |  |   |   |
|-----------|--|---|---|
| <b>17</b> | Is state verifying operator's hazardous liquid integrity management (L IMP) Programs are up to date? This should include a previous review of LIMP 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 195.452 Appendix C<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|--|---|---|

Evaluator Notes:

C17. Yes. The APSC has conducted the integrity management programs of all HL operators. The APSC is starting the second round of IMP inspections. The APSC is planning to complete the second round as soon as practical.

- |           |  |   |   |
|-----------|--|---|---|
| <b>18</b> | 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 195.440 PAPEI Effectiveness Inspections should have been completed by December 2013<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|--|---|---|

Evaluator Notes:

C18. Yes. All PAPEI have been done and 95 (total NG & HL) have been successfully uploaded into the database. APSC is contacting its inspection staff to find and upload (or re-upload) the missing 38 inspections.

- |           |  |   |   |
|-----------|--|---|---|
| <b>19</b> | Does the state have a mechanism for communicating with stakeholders - other than state pipeline safety seminar? (This should include making enforcement cases available to public).<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|-----------|--|---|---|

Evaluator Notes:

C19. Yes. The APSC posts pipeline safety information on the Commission's website. The APSC participates in and makes presentations at Alabama Natural Gas Association meetings.

- |           |   |   |    |
|-----------|---|---|----|
| <b>20</b> | Did state execute appropriate follow-up actions to Safety Related Condition (SRC) Reports? Chapter 6.3<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|-----------|---|---|----|

Evaluator Notes:

C20. NA. There were no safety related condition reports filed by operators during 2013 or 2014.

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<b>21</b>	Did the state participate in/respond to surveys or information requests from NAPSRS or PHMSA? Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:

C21. Yes. APSC fully participates with NAPSRS & PHMSA.

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<b>22</b>	If the State has issued any waivers/special permits for any operator, has the state verified conditions of those waivers/special permits are being met? This should include having the operator amend procedures where appropriate.(New Question for CY2013, no points until CY2015 evaluation conducted in CY2016.) Info Only = No Points	0	0
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Evaluator Notes:

C22. Yes. There are no waivers existing for hazardous liquid operators.

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<b>23</b>	Did the state attend the National NAPSRS Board of Directors Meeting in CY being evaluated? (New Question for CY2014, no points first year) Info Only = No Points	0	0
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Evaluator Notes:

C23. Yes. The APSC sent four employees to the National NAPSRS Meeting, including the Program Manager.

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<b>24</b>	Discussion on State Program Performance Metrics found on Stakeholder Communication site ? (question will be rolled up and included as part of Question C-12 on future evaluations) <a href="http://primis.phmsa.dot.gov/comm/states.htm">http://primis.phmsa.dot.gov/comm/states.htm</a> Info Only = No Points	0	0
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Evaluator Notes:

C24. Yes. The PM pulled up the data. The information appears to be accurate. The PM plans to compare this data with his internal data. This information appears to hold promise to be of value.

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<b>25</b>	General Comments: Info Only = No Points	Info Only	Info Only
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Evaluator Notes:

C25. Yes. APSC is actively engaged in inspecting operators and pipelines for safety. They are aware of the need to perform OQ and IM inspections and to successfully upload certain inspections into the databases. Two points were lost in this Section.

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Total points scored for this section: 40  
Total possible points for this section: 42

## PART D - Compliance Activities

Points(MAX) Score

- |          |  |   |   |
|----------|--|---|---|
| <b>1</b> | Does the state have written procedures to identify steps to be taken from the discovery to resolution of a probable violation? Chapter 5.1<br>Yes = 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 & Yes. The APSC's procedures include a matrix of response timeframes depending on the nature of the probable violation. It is described on Page 24 of the APSC's inspection and enforcement procedures. Response date required and the actual response date are kept by each lead inspector for follow-up. Written compliance action correspondence must be sent to an officer of a private company

- |          |  |   |   |
|----------|--|---|---|
| <b>2</b> | Did the state follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? Chapter 5.1<br>Yes = 4 No = 0 Needs Improvement = 1-3 | 4   | 4                                       |
| a.       | Were compliance actions sent to company officer or manager/board director 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, yes, yes, & yes. Upon a review of randomly selected inspection files, the files contained responses from operators within the deadlines given by the APSC. No instances were found where the APSC failed to follow-up on probable violation corrections. Compliance notifications were sent to company officer when a private company was involved

- |          |  |   |   |
|----------|--|---|---|
| <b>3</b> | Did the state issue compliance actions for all probable violations discovered?<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|--|---|---|

Evaluator Notes:

D3. Yes. Upon a review of randomly selected inspection files completed during 2014, all inspections with discovered probable violations had letters of non-compliance in the files

- |          |   |   |   |
|----------|---|---|---|
| <b>4</b> | Did compliance actions give reasonable due process to all parties? Including "show cause" hearing if necessary.<br>Yes = 2 No = 0 | 2 | 2 |
|----------|---|---|---|

Evaluator Notes:

D4. Yes. The APSC's rules and procedures provide operators with an opportunity to argue their position as to whether a probable violation occurred. The operator is provided with an opportunity to present its case in a "show cause" hearing before a presiding officer or the commission. Upon a review of randomly selected inspection files the APSC followed its procedures

- |          |   |   |   |
|----------|---|---|---|
| <b>5</b> | 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)<br>Yes = 2 No = 0 | 2 | 2 |
|----------|---|---|---|

Evaluator Notes:

D5. Yes. Page 21 & 22 of the APSC's inspection and enforcement procedures identify the criteria to be considered to determine a level of civil penalty fine. It addresses the severity of the probable violation, if the probable violation was repeated, the operator's ability to pay and whether or not an accident resulted in an injury or fatality

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

Evaluator Notes:

D6. Yes. APSC assessed a Civil Penalty in 2014. APSC was encouraged to develop an administrative civil penalty process

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7 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

D7. Yes. APSC has an established Compliance processes. An improved process for issuing civil penalties is recommended

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



## PART E - Accident Investigations

Points(MAX) Score

- 1 Does the state have written procedures to address state actions in the event of an incident/accident? 2 2  
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

E1. (old B7) Yes. APS Operations Plan Sec VI subsections A-G. The APSC investigates incidents as they occur

- 2 Does state have adequate mechanism to receive and respond to operator reports of accidents, including after-hours reports? And did state keep adequate records of Incident/Accident notifications received? Chapter 6 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:

E2. Yes. The APSC publishes and disseminates contact information to operators. A contact listing is also maintained on the Commission's web site. After hour contact instructions are also included. The Program Manager is knowledgeable of the MOU and understands the cooperation between the state and PHMSA as outlined in the Appendices of the Guidelines

- 3 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 1 NA  
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

E3. NA. There were no significant incidents or accidents in 2014

- 4 Were all accidents investigated, thoroughly documented, and with conclusions and recommendations? 3 NA  
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 where appropriate Yes ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

E4. NA. There were no incidents or accidents in 2014

- 5 Did the state initiate compliance action for violations found during any incident/accident investigation? 1 NA  
Yes = 1 No = 0

Evaluator Notes:

E5. NA. There were no probable violations for incidents or accidents in 2014

- 6 Did the state assist region office by taking appropriate follow-up actions related to the operator accident 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 1 1  
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

E6. Yes. APSC is cooperative with PHMSA Southern Region

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

Evaluator Notes:

E7. Yes. Wallace Jones communicates this information during Southern Region Meetings & in the State hosted Pipeline Safety Seminars both in AL & in New Orleans

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**8** General Comments:

Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

E8. Yes. APSC responds to notices of incidents and accidents

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Total points scored for this section: 6  
Total possible points for this section: 6



## 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? | 2 | 2 |
|   | Yes = 2 No = 0 Needs Improvement = 1  |   |   |

Evaluator Notes:

F1. Yes. The APSC conducts reviews of operators' OM procedures on a three year rotational basis. Directional drilling/boring procedures are a part of the review. The APSC uses the federal standard inspection form which covers this requirement

- |   |   |   |   |
|---|---|---|---|
| 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? | 2 | 2 |
|   | Yes = 2 No = 0 Needs Improvement = 1  |   |   |

Evaluator Notes:

F2. Yes. The APSC's standard inspection form Question 25 has the inspector review the operator's damage prevention program and records

- |   |  |   |   |
|---|--|---|---|
| 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.) | 2 | 2 |
|   | Yes = 2 No = 0 Needs Improvement = 1   |   |   |

Evaluator Notes:

F3. Yes. The Program Manger participates in the Alabama Damage Prevention Alliance where he has encouraged stakeholder representatives to use CGA Best Practices. The APSC includes damage prevention topics during its annual 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) | 2 | 2 |
|   | Yes = 2 No = 0 Needs Improvement = 1   |   |   |

Evaluator Notes:

F4. Yes. The APSC collects this information each year and uses the information in its relative risk ranking model. The data is insufficient to establish any trends at this time

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

Evaluator Notes:

F5. Yes. The APSC generally complied with the requirements of Part F of this evaluation and supports Damage Prevention efforts

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 Info Only  
Info Only = No Points

Name of Operator Inspected:

Shell Chemical, opid 18275

Name of State Inspector(s) Observed:

Daniel Trapp, Pipeline Safety Supervisor, APSC

Location of Inspection:

00 Industrial Pkwy E, Saraland, AL 36571

Date of Inspection:

5/12/15

Name of PHMSA Representative:

Patrick Gaume

Evaluator Notes:

G1. Shell Chemical, opid 18275

Daniel Trapp, Pipeline Safety Supervisor, APSC

400 Industrial Pkwy E, Saraland, AL 36571

5/12/15

Patrick Gaume

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

Evaluator Notes:

G2. Yes. 5 Shell personnel participated

- 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) 2 2  
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

G3. Yes. Used the AL State HL Std Insp Form

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

Evaluator Notes:

G4. Yes. The form was filled out completely with comments where needed

- 5 Did the inspector check to see if the operator had necessary equipment during inspection to conduct tasks viewed? (Maps, valve keys, half cells, etc) 1 1  
Yes = 1 No = 0

Evaluator Notes:

G5. Yes. Keys, security badges, CP equip, PPE, OQ documents

- 6 Did the inspector adequately review the following during the field portion of the state evaluation? (check all that apply on list) 2 2  
Yes = 2 No = 0 Needs Improvement = 1

a. Procedures ☒

b. Records ☒

c. Field Activities ☒

d. Other (please comment) ☐

Evaluator Notes:



G6. Yes. Procedures, records, & field. This was a full Std Insp

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

G7. Yes. Daniel demonstrated a professional level of pipeline safety knowledge

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) Yes = 1 No = 0	1	1
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Evaluator Notes:

G8. Yes. No violations found. Recommended to better identify the test leads so there will be no confusion between the 10" and 14" pipelines that are in the same ROW

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

Evaluator Notes:

G9. Yes. No violations found. Recommended to better identify the test leads so there will be no confusion between the 10" and 14" pipelines that are in the same ROW

10	General Comments: 1) What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) 2) Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) 3) Other Info Only = No Points	Info Only	Info Only
----	--	-----------	-----------

a.	Abandonment	<input type="checkbox"/>	
b.	Abnormal Operations	<input type="checkbox"/>	
c.	Break-Out Tanks	<input type="checkbox"/>	
d.	Compressor or Pump Stations	<input type="checkbox"/>	
e.	Change in Class Location	<input type="checkbox"/>	
f.	Casings	<input checked="" 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 checked="" type="checkbox"/>	
m.	Line Markers	<input checked="" type="checkbox"/>	
n.	Liaison with Public Officials	<input type="checkbox"/>	
o.	Leak Surveys	<input type="checkbox"/>	
p.	MOP	<input checked="" type="checkbox"/>	
q.	MAOP	<input type="checkbox"/>	
r.	Moving Pipe	<input type="checkbox"/>	
s.	New Construction	<input 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 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 type="checkbox"/>            |
| I. | Atmospheric Corrosion       | <input checked="" type="checkbox"/> |
| J. | Other                       | <input type="checkbox"/>            |

Evaluator Notes:

G10. Yes. A best practice was the placement of AC current interrupters at all test lead sites. Shell had suffered damage to a new pipeline due to impressed AC current and now has an aggressive AC mitigation program

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



**PART H - Interstate Agent State (if applicable)****Points(MAX)    Score**

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

Evaluator Notes:

H1-8. NA. Not an Interstate Agent Program.

- |          |   |   |    |
|----------|---|---|----|
| <b>2</b> | Are results documented demonstrating inspection units were reviewed in accordance with "PHMSA directed inspection plan"?<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

H1-8. NA. Not an Interstate Agent Program.

- |          |  |   |    |
|----------|--|---|----|
| <b>3</b> | Did the state submit documentation of the inspections within 60 days as stated in its latest Interstate Agent Agreement form?<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

H1-8. NA. Not an Interstate Agent Program.

- |          |   |   |    |
|----------|---|---|----|
| <b>4</b> | 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.)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

H1-8. NA. Not an Interstate Agent Program.

- |          |   |   |    |
|----------|---|---|----|
| <b>5</b> | Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment?<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

H1-8. NA. Not an Interstate Agent Program.

- |          |  |   |    |
|----------|--|---|----|
| <b>6</b> | Did the state give written notice to PHMSA within 60 days of all probable violations found?<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

H1-8. NA. Not an Interstate Agent Program.

- |          |   |   |    |
|----------|---|---|----|
| <b>7</b> | Did the state initially submit documentation to support compliance action by PHMSA on probable violations?<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

H1-8. NA. Not an Interstate Agent Program.

- |          |  |           |           |
|----------|--|-----------|-----------|
| <b>8</b> | General Comments:<br>Info Only = No Points | Info Only | Info Only |
|----------|--|-----------|-----------|

Evaluator Notes:

H1-8. NA. Not an Interstate Agent Program.

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

**PART I - 60106 Agreement State (if applicable)****Points(MAX)    Score**

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

Evaluator Notes:

I1-7. NA. Not a 60106 Program.

- |          |  |   |    |
|----------|--|---|----|
| <b>2</b> | Are results documented demonstrating inspection units were reviewed in accordance with state inspection plan?<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

I1-7. NA. Not a 60106 Program.

- |          |   |   |    |
|----------|---|---|----|
| <b>3</b> | 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.)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

I1-7. NA. Not a 60106 Program.

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

Evaluator Notes:

I1-7. NA. Not a 60106 Program.

- |          |  |   |    |
|----------|--|---|----|
| <b>5</b> | Did the state give written notice to PHMSA within 60 days of all probable violations found?<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

I1-7. NA. Not a 60106 Program.

- |          |  |   |    |
|----------|--|---|----|
| <b>6</b> | Did the state initially submit adequate documentation to support compliance action by PHMSA on probable violations?<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

I1-7. NA. Not a 60106 Program.

- |          |  |           |           |
|----------|--|-----------|-----------|
| <b>7</b> | General Comments:<br>Info Only = No Points | Info Only | Info Only |
|----------|--|-----------|-----------|

Evaluator Notes:

I1-7. NA. Not a 60106 Program.

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