



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

1200 New Jersey Avenue SE
Washington DC 20590

2015 Hazardous Liquid State Program Evaluation

for

MN Office of Pipeline Safety

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)



2015 Hazardous Liquid State Program Evaluation -- CY 2015
Hazardous Liquid

State Agency: Minnesota

Agency Status:

Date of Visit: 05/16/2016 - 07/15/2016

Agency Representative: Jon Wolfgram, Chief Engineer

PHMSA Representative: Patrick Gaume

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

Name/Title: Ramona L. Dohlman, Commissioner

Agency: Minnesota Department of Public Safety

Address: 445 Minnesota Street, Suite 1000

City/State/Zip: Saint Paul, Minnesota 55101-5155

Rating:

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

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 2015 (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
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
44
15
11
8
11
5
0

10
13
44
15
11
8
11
5
0

TOTALS

117

117

State Rating

100.0

PART A - Progress Report and Program Documentation Review

Points(MAX) Score

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

Evaluator Notes:

A1. . Yes, Attachment 1 is in agreement with Attachment 3 & 8, and is consistent with internal records.

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

Evaluator Notes:

A2. Yes, Attachment 2 is consistent with internal records. 278.59 inspection-days-NG.

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

Evaluator Notes:

A3. Yes, Attachment 3 is in agreement with Attachment 1, and is consistent with internal records.

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

Evaluator Notes:

A4. Yes, Attachment 4 is consistent with internal records.

- | | | | |
|---|--|---|---|
| 5 | Accuracy verification of Compliance Activities - Progress Report Attachment 5
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|--|---|---|

Evaluator Notes:

A5. Yes, Attachment 5 is consistent with internal records. No HL civil penalties assessed in 2015.

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

Evaluator Notes:

A6. Yes, Files listed in Attachment 6 can all be found in MNOPS database and network drive.

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

Evaluator Notes:

A7. Yes. Attachment 7 as received from TQ is corrected to MNOPS records and shared back with TQ to update their records. TQ & MNOPS records were in agreement as initially printed for 2015. 2.13 inspector person-years charged to the HL program.

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

Evaluator Notes:

A8. Yes, Attachment 8 is in agreement with Attachment 1, and is consistent with internal records. Noted that 198 is not specifically mentioned in MN Laws, but Federal Grants are well addressed under MN Statute '299F.64 FEDERAL MONEY'.

- 9 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. Attachment 10 well identifies the goals and accomplishments of MNOPS in CY 2014. It is interesting that they present the information in a numbered bullet format as opposed to paragraph format.

10 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

A10. Yes. The Progress Report accurately showed the work performed by MNOPS. A particular accomplishment was the maturing of the staff. There was no attrition in 2015, four inspectors advanced from level 3 to level 1, and two inspectors advanced from level 3 to level 2. There was only 1 inspector that finished 2015 as level 3 inspectors. In addition, MNOPS was able to hire an engineer in early 2016 and is now fully staffed.

Total points scored for this section: 10
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. See MNOPS Operating Guidelines Manual, Sec 5 & Appendix 1.

- | | | | |
|---|---|---|---|
| 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. See MNOPS Operating Guidelines Manual, Sec 5 & Appendix 1.

- | | | | |
|---|--|---|---|
| 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. See MNOPS Operating Guidelines Manual, Sec 5 & Appendix 1.

- | | | | |
|---|---|---|---|
| 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. See MNOPS Operating Guidelines Manual, Sec 5 & Appendix 1.

- | | | | |
|---|--|---|---|
| 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. See MNOPS Operating Guidelines Manual, Sec 5.

- | | | | |
|---|--|---|---|
| 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. See MNOPS Operating Guidelines Manual, Sec 5 & Appendix 1.

- | | | | |
|---|---|---|---|
| 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 ☒ No ☐ Needs Improvement ☐

- | | | | |
|--|--------------------------------------|--------------------------|---|
| 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. See MNOPS Operating Guidelines Manual, Sec 5, Appendix 1, and the 'Inspection Plan' in the Database.

8 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

B8. Yes. The MNOPS Operating Guidelines Manual was extensively reviewed and updated in early 2015. This work was the result of the work of a Committee of seven OPS employees, and reflected their collaborative knowledge, skills, & abilities. This was noted during the 2015 audit. It was observed during the 2016 audit, that MNOPS has put the procedures into action and has carried out its inspection plan.

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):
278.59

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 2.13 = 468.60

Ratio: A / B
278.59 / 468.60 = 0.59

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

Evaluator Notes:

C1. Yes, 278.59 inspection-days, 2.13 inspector-years charged to the program, 278.59 / (2.13 * 220) = 0.0595, $>$.38, okay.

- 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*5. In 2015, 6 of 14 total inspectors completed 3 years of experience and advanced from level 3 to level 1 or 2. At the end of 2015 only one inspector had less than 3 years' experience. With the new hire in early 2016 there are only 2 inspectors still lacking some mandatory classes.

- 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. Jon has been Program Manager for 4 years and was an inspector for 3 years before that. He demonstrates the necessary knowledge, skills, & abilities for the Program Manager position.

- 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, Chairman letter was Dec 11, 2015 and the response was Jan 19, 2016. The response addressed the issue.

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

Evaluator Notes:

C5. Yes. Every year; in April 2013, April 2014, April 2015, & April 2016. TQ was a no-show for the 2016 Seminar. The next one is scheduled for April 2017.

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

Evaluator Notes:

C6. Yes; 76 NG & 12 HL operators; Specialty inspections; IMP, DIMP, OQ, D&A, & PAPEI, became an area of focus following the July, 31, 2015 Evaluation. The strong effort in the last third of 2015 resulted in most of the inspections being completed and uploaded leaving only a dozen specialty inspections, (total from NG & HL), to be finished in 2016. The Program Manager's continuing focus on finishing ALL of these inspections along with the buy-in of his staff justifies the awarding of full points.

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

C7. Yes. Reviewed several NG & HL inspections. All were complete and as detailed as the federal form, and the letters were consistent with what was found during the inspections. The inspection files reviewed were: for Natural Gas ? 50543392, 50586083, 50569374, 50595891(item of concern-comments for NA items are not properly importing from the source. This is an unexpected consequence of a recent modification of the database. The information was available after a little manipulation. However, the manipulation caused the on-site inspection information to be deleted. Luckily, the on-site inspection information was restored through back-up records. After discussion it was decided that the solution is to lock all of the closed files; that way, the file will have to be unlocked before any changes can be made.), 50565385, 50523584, & 50567983; and for Hazardous Liquid ? 50523054, 50578569, & 50599883. At this point, MNOPS has locked all 2015 pipeline inspection cases that have been closed for completion. This step will prevent inadvertent deletion or changes of the data. MNOPS will proceed with locking down historic data to address this issue soon.

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- | | | | |
|---|--|---|---|
| 8 | 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)?
Yes = 1 No = 0 | 1 | 1 |
|---|--|---|---|
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Evaluator Notes:

C8. Yes, is on the Standard Inspection Form, see 195.573.

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

C9. Yes. It is on the Standard Inspection Form, see 195.402.

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|----|---|---|---|
| 10 | Did state input all applicable OQ, LIMP inspection results into federal database in a timely manner? This includes replies to Operator notifications into IMDB database.
Chapter 5.1
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----|---|---|---|
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Evaluator Notes:

C10. Yes. The OQ & IMP information was uploaded into the federal databases in a timely manner.

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|----|--|---|---|
| 11 | Has state confirmed intrastate operators have submitted information into NPMS database along with changes made after original submission?
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----|--|---|---|
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Evaluator Notes:

C11. Yes, usually under Standard inspections see 192.605(b)(3) & 195.402(c)(1). In addition, MNOPS has an IT employee who does a GIS review of each operator annually and correlates operator maps to NPMS.

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- | | | | |
|----|---|---|---|
| 12 | 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
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----|---|---|---|
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Evaluator Notes:

C12. Yes. The Drug and Alcohol Program requests each operator return a Self-Assessment form (modeled after the Federal

Form) *Most Operators D&A Programs are monitored thru a Consortium; MIS data is available to the Feds and States upon request. Currently MIS data to the state is voluntary. * Consortium data on Positive test results is relayed to the operator and the Consortium fills out the MIS form for the operator. The Self-Assessment date from the operator has the MRO, SAP, Lab and EAP information. This office follows the regulations requirement of anonymity of EAP participants.

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|----|---|---|---|
| 13 | 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
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----|---|---|---|

Evaluator Notes:

C13. Yes. MNOPS is actively performing and uploading OQ inspections, both Program Inspections and Field Inspections. The OQ Lead is Claude Anderson.

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|----|--|---|---|
| 14 | 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
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----|--|---|---|

Evaluator Notes:

C14. Yes. TIMP inspections are current.

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|----|--|---|---|
| 15 | 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 be conducted every four years per RP1162
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
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Evaluator Notes:

C15. Yes. MNOPS has records of their PAPEI inspections & they are complete and uploaded into the federal database.

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|----|--|---|---|
| 16 | 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).
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----|--|---|---|

Evaluator Notes:

C16. Yes. Enforcement is published on MNOPS homepage; Spring Conference annually (instead of every 3 years); DPP Presentations; Holiday Mailings; Annual MS216D Review meetings; MN Farm Fest; Utility Coordination Committees; Common Ground Alliance presentation; 811 governors proclamation posted on website; Public meetings to discuss DP initiatives; DP trends and analysis presentation at MNOPS Conference; GSOC Communications Committee and Operations Committee; contribution to the one-call center newsletter (published quarterly) ? See GSOC website under newsletter .

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|----|---|---|---|
| 17 | Did state execute appropriate follow-up actions to Safety Related Condition (SRC) Reports? Chapter 6.3
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----|---|---|---|

Evaluator Notes:

C17. Yes. The SRCR are current.

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|----|--|---|---|
| 18 | Did the state participate in/respond to surveys or information requests from NAPSRS or PHMSA?
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----|--|---|---|

Evaluator Notes:

C18. Yes, MNOPS is active in NAPSRS and responds to all NAPSRS requests.

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|----|---|---|---|
| 19 | 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. | 1 | 1 |
|----|---|---|---|

Needs Improvement = .5 No = 0 Yes = 1

Evaluator Notes:

C19. Yes. MNOPS issued waivers in the past but they are all closed. MNOPS issued one waiver in 2014 that is still active: to Centerpoint Energy to waive 192.939 to waive re-assessment of certain old coupled pipe in favor of accelerated replacement of that pipe (by 2020).

20	Did the state attend the National NAPS Board of Directors Meeting in CY being evaluated?	1	1
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Needs Improvement = .5 No = 0 Yes = 1

Evaluator Notes:

C20. Yes. MNOPS sent the Jon, the Program Manager, to National NAPS in 2015. Jon is scheduled to attend National NAPS in 2016.

21	Discussion on State Program Performance Metrics found on Stakeholder Communication site ? http://primis.phmsa.dot.gov/comm/states.htm	2	2
Needs Improvement = 1 No = 0 Yes = 2			
a.	Discussion of Potential Accelerated Actions (AA's) based on any negative trends	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
b.	NTSB P-11-20 Meaningful Metrics	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>

Evaluator Notes:

C21. Yes. MNOPS has seen the report and has reviewed it over the last two years. The data seems consistent with MNOPS data. More years of information is required for meaningful trending work. Data that is internal to MNOPS is more detailed and usable for analysis.

Review of all the data has caused MNOPS to make an initiative in 2016 to promote additional training outside the TQ training system. Inspectors are encouraged to seek an area of technical focus and take additional training in these areas.

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

Evaluator Notes:

C22. The 2015 inspection plan focused on completion of Drug & Alcohol and Operator Qualification plan reviews. In addition to these inspections, MNOPS conducts field and records inspection of all intrastate operators each year. The MNOPS manual was modified and improved for 2015 to incorporate procedures for pre-inspection, inspection and post-inspection activities. Additional planning processes were modified to allow inspectors to have an operator view of leaks/risk scores and a global view for comparison. Various spreadsheets were created to provide a graphical view for inspectors to utilize while conducting field and record and other types of inspections.

Total points scored for this section: 44
Total possible points for this section: 44

PART D - Compliance Activities

Points(MAX) Score

- | | | | |
|----------|--|---|---|
| 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
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, MNOPS Manual, Chapter 11, Administrative Processes, (see 11.5.3), also Chapter 5.2.1.3 Director Review, Also MN Statutes 14.50-14.69.

- | | | | |
|----------|--|---|---|
| 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
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. | Document probable violations | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c. | Resolve probable violations | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d. | Routinely review progress of probable violations | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| e. | Were applicable civil penalties outlined in correspondence with operator(s) | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |

Evaluator Notes:

D2. Yes, Procedures were followed.

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

Evaluator Notes:

D3. Yes, several inspections were reviewed and violations documented in the inspection report were reflected in the NOPV Letters.

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

Evaluator Notes:

D4. Yes, Due process was given to all parties.

- | | | | |
|----------|---|---|---|
| 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)
Yes = 2 No = 0 | 2 | 2 |
|----------|---|---|---|

Evaluator Notes:

D5. Yes, the program manager and senior staff know the processes for issuing civil penalties.

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

Evaluator Notes:

D6. Yes. Civil penalties were assessed and collected against certain NG operators in 2015. The process is the same for HL operators.

- | | |
|----------|-------------------|
| 7 | General Comments: |
|----------|-------------------|

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

D7. The Minnesota procedures and statutes for processing violations are fully matured and utilized processes. The processes have been in existence since 1989 and are used to facilitate a wide range of enforcement options from Warning Letters to Civil Penalties as needed.

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. Yes. See MNOPS Operating Guidelines Manual, Sec 5, Sec 6, & Appendix 1. Also see Sec 11.8 'Reportable Events Policy'.

- 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. MNOPS generally makes site visits to significant incident/accidents, and if unable to visit the site, will gather necessary information telephonically and by e-mail, and by other means. MNOPS utilizes field office personnel to assist in the investigation of incidents in greater Minnesota.

- 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 1

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

E3. Yes. MNOPS generally makes site visits to significant incident/accidents, and if unable to visit the site, will gather necessary information telephonically and by e-mail, and by other means. MNOPS utilizes field office personnel to assist in the investigation of incident/accidents in greater Minnesota.

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

Evaluator Notes:

E4. Yes. Several of the incidents/accidents were reviewed and were found to be complete and internally consistent. 18 PV were issued during accident/incident investigations.

- 5 Did the state initiate compliance action for violations found during any incident/accident investigation? 1 1

Yes = 1 No = 0

Evaluator Notes:

E5. Yes. 18 probable violations were found in 2015 that were related to incidents/accidents.

- 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. MN is an Interstate Agent Program.

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

Evaluator Notes:

E7. Yes. MNOPS shares information learned from incidents / accidents throughout a variety of presentation and educational events throughout the year. This includes presenting at numerous damage prevention presentations aimed at excavators and underground utility operators in the state. In addition, MNOPS provides information to the public, emergency responders, state officials and pipeline operators.

8 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

E8. MNOPS routinely conducts on-site investigations throughout the state in follow up to both intrastate and interstate accidents/incidents. This allows MNOPS to ensure operators are making the area safe during a response, following applicable procedures/regulations and that steps are taken to prevent recurrence of failures.

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



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

Evaluator Notes:

F1. Yes. This question is addressed during Standard and DIMP inspections, and a MNOPS alert notice was issued to all operators.

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

Evaluator Notes:

F2. Yes. 195.442 is addressed during every Standard Inspection, and during Damage Prevention Inspections. MNOPS also investigates pipeline damages in follow up to its reportable event policy and mandatory damage reporting.

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

Evaluator Notes:

F3. Yes. 1. At the 2015 MNOPS hosted spring conference; MNOPS hosted sessions relating to Damage Prevention, specifically the quarterly Regional MNCGA meeting. 2. MNOPS continues to actively engage in both CGA and MNCGA discussions to implement best practices amongst stakeholders (National CGA conference, MNCGA quarterly meetings, and MNCGA sub-committee meetings. MNOPS currently serves as chair for the MNCGA Best Practices committee and Agricultural Awareness Committee. 3. MNOPS continues to promote use of MNCGA's website for stakeholders to register for annual Damage Prevention meetings and as a resource for up-to-date information on best practices and knowledge sharing. 4. MNOPS presented its damage prevention case studies at several, (40+), 'Diggers Meetings' throughout Minnesota in an effort to educate pipeline operators, utility operators and excavators on excavation best practices in MN. 5. MNOPS website is linked to CGA best practices MNOPS now has implemented a no locate initiative based on its mandatory damage reporting, which is a CGA best practice.

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

Evaluator Notes:

F4. Yes. The line hit information is gathered, compiled, reviewed, and compared year to year. Line hits per 1000 were 2.6, 2.06, & 2.46, 2.27 for the years 2012, 2013, 2014, & 2015.

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

Evaluator Notes:

F5. MNOPS has hosted several meetings to review its current excavation laws (MS216D). MNOPS intends to host meetings in 2016 and make this process as transparent as possible. MNOPS is focused on damage prevention through education and enforcement of regulations. Data is collected to determine trends and to utilize the information to drive damages downward.

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:

Koch Pipeline

Name of State Inspector(s) Observed:

Todd Stansbury (lead) Claude Anderson

Location of Inspection:

Oakdale MN

Date of Inspection:

7/14/2016

Name of PHMSA Representative:

Michael Thompson

Evaluator Notes:

"Repair of an anomaly found during an ILI pig run. Dent on 20 inch pipeline from a large rock put back in with the back fill when installed in the seventies. Operator welded on a sleeve and rewrapped the pipe.

- 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:

Yes, the MNOPS has been in contact with the operator on this project and gave notification for this visit.

- 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:

Yes the inspectors used the Anomaly Evaluation Report form and the IA form for this inspection.

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

Evaluator Notes:

Yes, both inspectors kept good notes and comments for the inspection forms and took pictures of specific materials and activities on the project site. They also noted all requests of the operator for additional reports, procedures and internal documents.

- 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:

Yes, No Issues

- 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:

Yes, the inspectors look at all records and procedures on site and made requests for addition information to be provided by the operator when necessary.

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:

Yes, the Lead inspector Todd is a very experienced inspector and showed his knowledge by the way he conducted the inspection and through the questions he asked and the documents he requested to review. Claude has been doing inspections on natural Gas facilities for about four years and is working to complete his training on Hazardous Liquid facilities.

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:

Yes, a small exit interview was conducted with the onsite supervisor and the operators compliance representative.

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

No probable violations were found during this inspection.

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 type="checkbox"/> |
| g. | Cathodic Protection | <input type="checkbox"/> |
| h. | Cast-iron Replacement | <input type="checkbox"/> |
| i. | Damage Prevention | <input checked="" type="checkbox"/> |
| j. | Deactivation | <input type="checkbox"/> |
| k. | Emergency Procedures | <input type="checkbox"/> |
| l. | Inspection of Right-of-Way | <input type="checkbox"/> |
| m. | Line Markers | <input checked="" type="checkbox"/> |
| n. | Liaison with Public Officials | <input type="checkbox"/> |
| o. | Leak Surveys | <input type="checkbox"/> |
| p. | MOP | <input 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 checked="" 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 checked="" 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:

This inspection was conducted very effectively and efficiently.

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



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

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

Evaluator Notes:

H1. Yes. The PHMSA Inspection Assistant was used for all interstate inspection as requested by PHMSA. A modified version of the Standard Unit Inspection PIM was supplied to document the inspection as requested by Central Region.

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

Evaluator Notes:

H2. Yes. Reference OPS System cases are created to facilitate the inspections.

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

Evaluator Notes:

H3. Yes. Information was submitted for 6 NG inspections, 1 LNG inspections, and 14 HL inspections. All were within 60 days.

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

Evaluator Notes:

H4. Yes. Zero PV have been found for the 21 interstate inspections in 2015, however some of the inspections are still active.

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

Evaluator Notes:

H5. Yes. There were no imminent safety hazards found in 2015. If found they would have been reported immediately.

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

Evaluator Notes:

H6. NA. No PV were found.

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

Evaluator Notes:

H7. NA. No PV were found.

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

Evaluator Notes:

H8. MNOPS continues to be fully invested in the interstate agent role with PHMSA. MNOPS has the resources to fulfill all the assignments as necessary.

Total points scored for this section: 5
Total possible points for this section: 5

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

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

Evaluator Notes:

I1-6 NA Not a 60106 Agreement State

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

Evaluator Notes:

I1-6 NA Not a 60106 Agreement State

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

Evaluator Notes:

I1-6 NA Not a 60106 Agreement State

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

Evaluator Notes:

I1-6 NA Not a 60106 Agreement State

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

Evaluator Notes:

I1-6 NA Not a 60106 Agreement State

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

Evaluator Notes:

I1-6 NA Not a 60106 Agreement State

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

Evaluator Notes:

I1-6 NA Not a 60106 Agreement State

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