



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

NEW YORK 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)



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

State Agency: New York
Agency Status:
Date of Visit: 08/08/2016 - 08/16/2016
Agency Representative: Kevin Speicher, Chief Pipeline Safety
PHMSA Representative: Rex Evans, Office Records Evaluation August 8-10, 2016. Jim Anderson August 16, 2016 - Field Evaluations.
Commission Chairman to whom follow up letter is to be sent:
Name/Title: Ms. Audrey Zibelman, Chair
Agency: New York Public Service Commission
Address: Empire State Plaza, Agency Building 3
City/State/Zip: Albany, NY 12223-1350

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	10	10
B Program Inspection Procedures	13	13
C Program Performance	44	43.5
D Compliance Activities	15	15
E Accident Investigations	10	10
F Damage Prevention	8	8
G Field Inspections	11	11
H Interstate Agent State (if applicable)	6	6
I 60106 Agreement State (if applicable)	0	0
TOTALS	117	116.5
State Rating		99.6

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: Information appears accurate.			
2	Review of Inspection Days for accuracy - Progress Report Attachment 2 Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: Also noted on Gas Evaluation. Person-day calculation method revised around Sept 2015. Information accepted.			
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: Information reviewed appears correct			
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: HL incidents appear correct.			
5	Accuracy verification of Compliance Activities - Progress Report Attachment 5 Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: Compliance activities compiled by each office and appear correct			
6	Were pipeline program files well-organized and accessible? - Progress Report Attachment 6 Yes = 2 No = 0 Needs Improvement = 1	2	2
Evaluator Notes: As noted on gas evaluation - in general all files were accessible. in process of implementing new database and look forward to the new system of organization.			
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: No issues			
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: It appears necessary adoptions occurred in CY2015 to bring in line with federal regulations.			
9	List of Planned Performance - Did state describe accomplishments on Progress Report in detail - Progress Report Attachment 10 Yes = 1 No = 0 Needs Improvement = .5	1	1

Evaluator Notes:
No issues

10 General Comments:
Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

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:

For interstate audits: Section 10 of the Staff Guidance Manual, located in R:\division\gaswater\safety\sgm\SGM Update, states that NYS provides PHMSA Eastern Region with aide in developing the inspection schedule for the upcoming year. An inspection schedule and tracking form is then received which identifies the responsibilities for reporting and inspection. The NYS regional engineer and assigned field staff are responsible to coordinate/communicate with the assigned PHMSA team leader.

For intrastate audits: Section 4 of the Staff Guidance Manual, located in R:\division\gaswater\safety\sgm\SGM Update, states that the 5-year cycle allows the Safety Section to focus its man power in areas that are subjected to have the highest risk and potential to adversely affect the public's safety. See excel file '5 year audit plan 2013-2017' located in R:\division\gaswater\safety\forms.

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

Section 4 of the Staff Guidance Manual, located in R:\division\gaswater\safety\sgm\SGM Update. This procedure provides guidance for utilizing federal inspection forms, protocols, and posting the reports/findings on the LAN. (4.5)

IMP Inspections: Staff will continue to inspect IMP work being carried out by the LDCs and document its findings on PHMSA Form 16 ? NG/19 - Liquid. All forms to be sent to Michael Moll for entry into the IM database.

DIMP Inspections: The comprehensive DIMP Plan audits have been completed and their results uploaded to the DIMP database. The recommendation letters, any associated findings, and audit documentation can be found at the following T:\division\gaswater\safety\DIMP.

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

Section 4 of the Staff Guidance Manual, located in R:\division\gaswater\safety\sgm\SGM Update. This procedure addresses plan reviews, the responsible party for inputting the audit results, field assessments, violations noted, and guidance for any issues/situations which requires clarification. All forms to be sent to Brett Mahan for entry into the OQ database.

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

Section 8 of the Staff Guidance Manual, located in R:\division\gaswater\safety\sgm\SGM Update. This procedure provides guidance for performing field investigations, the citation forms used, routing and final dispensation of Part 753 citations, notifications for probable violations, and investigative hearings.

5 Any operator training conducted should be outlined and appropriately documented as needed. 1 1
 Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Section 4.12 of the Staff Guidance Manual, located in R:\division\gaswater\safety\sgm\SGM Update. This procedure provides guidance for on-the-job training, USDOT training and seminars, and other third party training

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:

Section 6 of the Staff Guidance Manual, located in R:\division\gaswater\safety\sgm\SGM Update. This procedure provides guidance for performing reviews of construction plans, gathering lines, pipelines operating over 125-psig, pipelines operating at less than 125-psig, pressure upgrading, and ILI inspections.

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 No Needs Improvement
- c. Type of activity being undertaken by operators (i.e. construction) Yes No Needs Improvement
- d. Locations of operators inspection units being inspected - (HCA's, Geographic area, Population Density, etc) Yes No Needs Improvement
- e. Process to identify high-risk inspection units that includes all threats - (Excavation Damage, Corrosion, Natural Forces, Outside Forces, Material and Welds, Equipment, Operators and any Other Factors) Yes No Needs Improvement
- f. Are inspection units broken down appropriately? Yes No Needs Improvement

Evaluator Notes:

See excel file '5 year plan WITH 2013 Record Stat Sheet-2-21-13' located in each operators '5 Year Audit Plan' folder on the R:\ drive. This plan depicts the high, medium, and low risk functions broken down on a 5 year audit basis. The high risk functions are audited yearly, the medium risk functions every other year, and the low risk functions on a 5 year basis.

See Section 4.3 in the Staff Guidance Manual, which states that "the Five Year Audit Schedule may be modified by the Supervising engineer at any time. If, for example, serious deficiencies are found during the audit of a particular function, and that function is scheduled for audit every other year, the schedule maybe modified to audit that function annually, or at least the next year, to check for compliance."

See Section 4.3 in the Staff Guidance Manual which states that "the five year cycle allows the Safety Section to focus our man power in areas that are judged to have the highest risk and potential to adversely affect the public's safety."

See the Staff Guidance Manual and Rate/Merger Cases. The Staff Guidance Manual breaks down the audit functions on a 5 year cycle to allow for consistent auditing of each operator throughout the state. Several of the operator's rate/merger case agreements now include enforcement measures for high and other risk functions.

Inspection units appear to be broken down appropriately

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

Evaluator Notes:

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):
 71.20
 B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
 220 X 0.48 = 105.60
 Ratio: A / B
 71.20 / 105.60 = 0.67
 If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0
 Points = 5

Evaluator Notes:

.67 ratio with 71 inspection days. No issues with staff inspection days.

- 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:

Training reviewed with TQ records and no issues found.

- 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:

No issues on program knowledge and regulations

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

Evaluator Notes:

Letter was responded to within 60 days and deficiencies were addressed adequately.

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

Evaluator Notes:

Yes. Last seminar was held in Saratoga Springs on September 24/25/26, of 2013. Next seminar will be held in Canandaigua on September 13/14/15 of 2016.

- 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:

Information reviewed appears satisfactory



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
Evaluator Notes: Uses IA, no issues			
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
Evaluator Notes: All accident notifications reviewed and in access database.			
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
Evaluator Notes: No issues			
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
Evaluator Notes: No issues, most are in IA currently			
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
Evaluator Notes: NYS periodically reviews that intrastate operators have submitted information into NPMS database, along with any changes			
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
Evaluator Notes: It appears all were brought up to date in 2013 with a 5 year interval			
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: State has reviewed some plans, NGA OQ plan apparently covers many of the operators in state and is in process of review. Need to make sure this is completed soon. No deductions on this evaluation as in process and many field inspections are done.			



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

Evaluator Notes:

It appears review continues. Recommend formalizing this process. Liquid intrastate programs are limited in state.

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

Evaluator Notes:

Yes. Original plans reviewed, secondary reviews following up on issues found have been continuous

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

Evaluator Notes:

Same issue on gas evaluation. Improvement needed in organization and ability for general public to access pertinent pipeline safety information and ensure priority items are adequately addressed or links provided. Pipeline regulations are not linked on site.

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

Evaluator Notes:

No issues

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

Evaluator Notes:

No issues

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.
 Needs Improvement = .5 No = 0 Yes = 1

Evaluator Notes:

No issues, no liquid waivers issued

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

Evaluator Notes:

Yes, staff attended CY2015 National Mtg in Tempe, AZ

21 Discussion on State Program Performance Metrics found on Stakeholder Communication site ? <http://primis.phmsa.dot.gov/comm/states.htm>
 Needs Improvement = 1 No = 0 Yes = 2

a. Discussion of Potential Accelerated Actions (AA's) based on any negative trends Yes No Needs Improvement

b. NTSB P-11-20 Meaningful Metrics

Yes No Needs Improvement

Evaluator Notes:

Held discussion on metrics and potential AA's. No issues.

22 General Comments:

Info Only = No Points

Info Only Info Only

Evaluator Notes:

Total points scored for this section: 43.5
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:

Yes. Section 4. Sections 4.9 and 4.10 of the Staff Guidance Manual, located in R:\division\ gaswater\safety\sgm\SGM Update. These procedures provide examples on how to accumulate violations, how to accumulate pieces of evidence, provides guidance for addressing compliance letters, and for addressing violation specifics. In addition, specific guidance on compliance meetings, high/other risk violations, and a tiered penalty system is outlined in the operator's current merger/rate case.

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

Compliance issues reviewed found no issues. only one found in CY2015.

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

Evaluator Notes:

No issues

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

Yes, no issues

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

Yes, program manager is familiar with process. No issues with considerations

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

Giving credit basis on gas program.



7 General Comments:

Info Only = No Points

Evaluator Notes:

Info OnlyInfo Only

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:

Yes. Chapter 9 of the SGM. This chapter guidance for coordinating federal and state procedures, cooperating with other federal agencies, media contact, notifications for both, business and non-business hours, emergency notification updates, confidentiality notices, internal notifications, field reports, reports to the commission, and consumer complaint investigations.

- 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:

Yes. Chapters 9.3.1 and 9.3.2 of the SGM. During business hours, notifications are received by the Albany Office Staff and recorded on form 'GW-1 Section Incident Notification Report fillable' which is located in R:\division\gaswater\safety\sgm. Albany Engineering Staff will determine if further investigation is required and, if necessary, contact local supervision that covers the area of the incident for any required follow-up action, which may include dispatching an inspector for an on-site investigation, or contacting the utility for updated information. During non-business hours, notifications are received by employees designated on contact lists which are updated annually and provided to the operators. All information received is recorded on form 'GW-1 Section Incident Notification Report fillable'. The employee then determines whether an immediate investigation is warranted based on the information obtained and shall attempt to contact their direct supervisor, Albany Engineering Staff, or the Section Chief. All incident and accident notifications received are documented in the 'INL' access database which is located in T:\division\gaswater\safety.

- 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:

No issues, all are investigated

- 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:

Incident reviewed had no issues with documentation and overall wrap up of information

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

Evaluator Notes:



- 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:

No issues

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

Evaluator Notes:

No issues

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

Evaluator Notes:

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



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:

Yes. As directional drilling/boring procedures are submitted by each pipeline operator or its contractors, they are reviewed by the Albany Engineering Staff in addition to each affected field office. Any comments/recommendations are then provided back to the operator.

- 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:

Yes. During construction monitoring, incident investigations, and 753 enforcement activities, state inspectors verify that each operator is following its written procedures pertaining to notification of excavation, marking, positive response and the availability and use of the one call system. State inspectors also respond to complaints made by operators, excavators, and third parties regarding the one call system and its process.

- 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:

Yes. In addition to promoting/adopting the CGA Best Practices, the state has incorporated performance measures into the rate cases of several of the jurisdictional pipeline operators. In addition, an independent consultant was selected, in Case 13-M-0314, to audit the performance data submitted by several of the local distribution companies. The results of this audit were presented at the March 17, 2016 Session, and its recommendations are currently evaluated and implemented.

- 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:

Yes. The state collects and evaluates the data associated with pipeline damages per 1,000 locate request.

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

Evaluator Notes:

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:
 Northville Industrial Corporation
 Name of State Inspector(s) Observed:
 Jonathan Mercurio
 Location of Inspection:
 Port Jefferson, Long Island, NY
 Date of Inspection:
 8/16/2016
 Name of PHMSA Representative:
 Jim Anderson

Evaluator Notes:

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. Peter St. Germaine, General Manager, Terminalling was present.

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

Evaluator Notes:

Yes. The inspector Jonathan Mercurio used the PHMSA Liquid IA form during the inspection.

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

Evaluator Notes:

Yes.

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 NA
 Yes = 1 No = 0

Evaluator Notes:

NA. This was a records and procedures inspection.

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:

This was a records and procedures inspection.

7 Did the inspector have adequate knowledge of the pipeline safety program and regulations? (Evaluator will document reasons if unacceptable) 2 2

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes. Jonathan was very knowledgeable on the pipeline safety rules and regulations.

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.

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

Yes. The inspector noted, to the General Manager, that several cathodic protection monitoring dates were past the calendar year/15 month time frame, the Greenline readings were out of date, that one-half of 2015 retifier readings were missing and that their OQ program needed more detail work.

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
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|----|-----------------------------------|-------------------------------------|
| a. | Abandonment | <input type="checkbox"/> |
| b. | Abnormal Operations | <input type="checkbox"/> |
| c. | Break-Out Tanks | <input type="checkbox"/> |
| d. | Compressor or Pump Stations | <input type="checkbox"/> |
| e. | Change in Class Location | <input type="checkbox"/> |
| f. | Casings | <input type="checkbox"/> |
| g. | Cathodic Protection | <input checked="" type="checkbox"/> |
| h. | Cast-iron Replacement | <input type="checkbox"/> |
| i. | Damage Prevention | <input type="checkbox"/> |
| j. | Deactivation | <input type="checkbox"/> |
| k. | Emergency Procedures | <input type="checkbox"/> |
| l. | Inspection of Right-of-Way | <input type="checkbox"/> |
| m. | Line Markers | <input type="checkbox"/> |
| n. | Liaison with Public Officials | <input type="checkbox"/> |
| o. | Leak Surveys | <input type="checkbox"/> |
| p. | MOP | <input type="checkbox"/> |
| q. | MAOP | <input type="checkbox"/> |
| r. | Moving Pipe | <input type="checkbox"/> |
| s. | New Construction | <input type="checkbox"/> |
| t. | Navigable Waterway Crossings | <input type="checkbox"/> |
| u. | Odorization | <input type="checkbox"/> |
| v. | Overpressure Safety Devices | <input type="checkbox"/> |
| w. | Plastic Pipe Installation | <input type="checkbox"/> |
| x. | Public Education | <input type="checkbox"/> |
| y. | Purging | <input type="checkbox"/> |
| z. | Prevention of Accidental Ignition | <input type="checkbox"/> |
| A. | Repairs | <input type="checkbox"/> |
| B. | Signs | <input type="checkbox"/> |
| C. | Tapping | <input type="checkbox"/> |
| D. | Valve Maintenance | <input type="checkbox"/> |



- E. Vault Maintenance
- F. Welding
- G. OQ - Operator Qualification
- H. Compliance Follow-up
- I. Atmospheric Corrosion
- J. Other

Evaluator Notes:

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:
See notes below

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:

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:

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:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

8 General Comments: Info OnlyInfo Only
Info Only = No Points

Evaluator Notes:
No issues come to mind. Looking at the attached rating form, I would give NY a Yes (score 1) for all 7 categories for 2015 and 2016 year to date.

My main contact at NYSDPS is Brett Mahan, who has been very responsive to Interstate Agent work, and any special requests from PHMSA Eastern Region. In addition Kevin Speicher, or Brett Mahan, occasionally gives the Eastern Region a heads up on conditions that may fall under item 5 of your attachment.



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



PART I - 60106 Agreement State (if applicable)

Points(MAX) Score

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

Evaluator Notes:

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

Evaluator Notes:

3 Were any probable violations identified by state referred to PHMSA for compliance? 1 NA
(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

Evaluator Notes:

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

Evaluator Notes:

5 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:

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

Evaluator Notes:

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

Evaluator Notes:

Section not applicable

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

