



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

1200 New Jersey Avenue SE  
Washington DC 20590

## 2014 Gas State Program Evaluation

for

MICHIGAN 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 -- Incident Investigations
- F -- Damage Prevention
- G -- Field Inspections
- H -- Interstate Agent State (If Applicable)
- I -- 60106 Agreement State (If Applicable)



# 2014 Gas State Program Evaluation -- CY 2014

Gas

**State Agency:** Michigan

**Agency Status:**

**Date of Visit:** 06/01/2015 - 06/05/2015

**Agency Representative:** David Chislea, Program Manager

**PHMSA Representative:** Rex Evans

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

**Name/Title:** John D. Quackenbush, Chairman

**Agency:** Michigan Public Service Commission

**Address:** 7901 West Saginaw Highway

**City/State/Zip:** Lansing, MI

**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 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.

## 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

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

### Possible Points Points Scored

10	9
13	13
46	44
15	14
11	11
8	8
10	10
6	6
0	0

### TOTALS

**119 115**

### State Rating

**96.6**

## 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
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Evaluator Notes:

No issues

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

No issues

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

No issues - unit counts match and PDM review showed all accounted for.

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

All appear listed in PDM

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

Summary reviewed of compliance actions reviewed, numbers appear reported correctly.

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

Needs improvement in providing information as to when inspections were last conducted an being able to identify when inspections were last conducted.

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

no issues

8	Verification of Part 192,193,198,199 Rules and Amendments - Progress Report Attachment 8 Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:

No issues

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

Evaluator Notes:

No issues

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**10** General Comments:

Info Only = No Points

Evaluator Notes:

Info OnlyInfo Only

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Total points scored for this section: 9  
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:

No issues - Discussed issue of inspections every four years

- |   |  |   |   |
|---|--|---|---|
| 2 | IMP and DIMP 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:

These activities are included in procedures. Adding in the pre,current, post.

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

addressed in procedures.

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

No issues - in process of hiring enforcement staff

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

No issues

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

It is there, recommended enhancement

- |   |   |   |   |
|---|---|---|---|
| 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 areas, Population Density, etc)  | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| e. | Process to identify high-risk inspection units that includes all threats - (Excavation Damage, Corrosion, Natural Forces, Outside Forces, Material and Welds, Equipment, Operators and any Other Factors) | Yes <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:

Has inspection priority plan in development and no issues.

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**8** General Comments:

Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

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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):  
710.00

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):  
220 X 7.16 = 1575.93

Ratio: A / B  
710.00 / 1575.93 = 0.45

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

Evaluator Notes:

Per person-days needed full points.

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

No training issues. A lot of new inspectors and recommend running through training curriculum as soon as possible with new inspectors to ensure continuity in case of future turnover.

- 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

- 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:

Response letter was received within 60 days. There was an item on the program evaluation from CY2013 regarding improvement needed in updating Safety Related Condition reports with Central Region and state has taken action to take care of this and is starting to provide region a spreadsheet of open issues.

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

Evaluator Notes:

There was a seminar completed in CY2014 September

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

Evaluator Notes:

Improvement needed in this area. The time intervals for inspection are based on a total of four years with an entire standard inspection spread out over that time period. Found issues with field portion of Lansing Distribution inspection where no field review on valve inspections had been completed. It's very difficult to determine if all areas of inspections are covered based on record keeping and the fact inspections are spread out over such a long period of time.

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

Evaluator Notes:

With the complete inspection form essentially split into 8 separate modules over a four year period. It was found improvement needed in completion of inspection forms. Inspection forms don't have clear place for field activity. It was also found valve inspection not completed for Lansing Distribution and the field vs. record documentation needs improvement.

- |   |   |   |   |
|---|---|---|---|
| 8 | Did the state review operator procedures for determining if exposed cast iron pipe was examined for evidence of graphitization and if necessary remedial action was taken? (NTSB) Chapter 5.1<br>Yes = 1 No = 0 | 1 | 1 |
|---|---|---|---|

Evaluator Notes:

Asked in first half inspections CY2013 under 192.489 question set

- |   |  |   |   |
|---|--|---|---|
| 9 | Did the state review operator procedures for surveillance of cast iron pipelines, including appropriate action resulting from tracking circumferential cracking failures, study of leakage history, or other unusual operating maintenance condition? (Note: See GPTC Appendix G-18 for guidance) (NTSB) Chapter 5.1<br>Yes = 1 No = 0 | 1 | 1 |
|---|--|---|---|

Evaluator Notes:

Basically covered under previous question under cast iron inspections during procedures review. Asked to put these questions verbatim into checklist. No issue

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|----|---|---|---|
| 10 | Did the state review operator emergency response procedures for leaks caused by excavation damage near buildings and determine whether the procedures adequately address the possibility of multiple leaks and underground migration of gas into nearby buildings Refer to 4/12/01 letter from PHMSA in response to NTSB recommendation P-00-20 and P-00-21? (NTSB) Chapter 5.1<br>Yes = 1 No = 0 | 1 | 1 |
|----|---|---|---|

Evaluator Notes:

Covered under 2012 second half procedures inspections, combined with issues from 192.615.

- |    |  |   |   |
|----|--|---|---|
| 11 | Did the state review operator records of previous accidents and failures including reported third party damage and leak response to ensure appropriate operator response as required by 192.617? Chapter 5.1<br>Yes = 1 No = 0 | 1 | 1 |
|----|--|---|---|

Evaluator Notes:

covered under 192.617 -

- |    |  |   |   |
|----|--|---|---|
| 12 | Has the state reviewed Operator Annual reports, along with Incident/Accident reports, for accuracy and analyzed data for trends and operator issues?<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----|--|---|---|

Evaluator Notes:

File reviewed in excel showing trends. Recommend Pipeline Data Mart data review for future use and intent of this question.

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

No issues

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- |           |   |   |   |
|-----------|---|---|---|
| <b>14</b> | Has state confirmed intrastate transmission 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:

2nd half 2014 inspections. NPMS question asked on inspection form.

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- |           |   |   |   |
|-----------|---|---|---|
| <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:

Completed during Headquarters inspections in 2012.

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- |           |   |   |   |
|-----------|---|---|---|
| <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 192 Part N<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|

Evaluator Notes:

No issues

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

Evaluator Notes:

No issues, seem to be through on IMP review.

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- |           |  |   |   |
|-----------|--|---|---|
| <b>18</b> | Is state verifying operator's gas distribution integrity management Programs (DIMP)? This should include a review of DIMP plans, along with monitoring progress. In addition, the review should take in to account program review and updates of operators plan(s). 49 CFR 192 Subpart P DIMP ? First round of program inspections should be complete by December 2014<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|--|---|---|

Evaluator Notes:

No issues at this time.

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- |           |   |   |   |
|-----------|---|---|---|
| <b>19</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 192.616 (I13-16) PAPEI Effectiveness Inspections should have been completed by December 2013<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|

Evaluator Notes:

All caught up now. No issues. In CY2013 schedule next 2017 based on current inspection schedules.

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- |           |  |   |   |
|-----------|--|---|---|
| <b>20</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:

Website in place - no issues.

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- |           |   |   |   |
|-----------|---|---|---|
| <b>21</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 | 1 |
|-----------|---|---|---|

Evaluator Notes:

Per Central Region - Hans Shieh. While MI has improved the communications regarding SRC reports with Central Region. State has initiated process to communicate and summarize outstanding issues on spreadsheet sent to region. Just started recently.

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- |           |   |   |   |
|-----------|---|---|---|
| <b>22</b> | Did the State ask Operators to identify any plastic pipe and components that has shown a record of defects/leaks and what those operators are doing to mitigate the safety concerns?<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|-----------|---|---|---|

Evaluator Notes:

This has been addressed under separate checklist during HQ audits in cY2012.

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

Evaluator Notes:

No issues

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- |           |  |   |   |
|-----------|--|---|---|
| <b>24</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)<br>Info Only = No Points | 0 | 0 |
|-----------|--|---|---|

Evaluator Notes:

Dave indicated review and review in progress. No issues.

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- |           |   |   |   |
|-----------|---|---|---|
| <b>25</b> | Did the state attend the National NAPSRS Board of Directors Meeting in CY being evaluated? (New Question for CY2014, no points first year)<br>Info Only = No Points | 0 | 0 |
|-----------|---|---|---|

Evaluator Notes:

No issues

- 
- |           |   |   |   |
|-----------|---|---|---|
| <b>26</b> | Discussion on State Program Performance Metrics found on Stakeholder Communication site. (question will be rolled up and included as part of Question C12 on future evaluations) <a href="http://primis.phmsa.dot.gov/comm/states.htm">http://primis.phmsa.dot.gov/comm/states.htm</a><br>Info Only = No Points | 0 | 0 |
|-----------|---|---|---|

Evaluator Notes:

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- |           |  |           |           |
|-----------|--|-----------|-----------|
| <b>27</b> | General Comments:<br>Info Only = No Points | Info Only | Info Only |
|-----------|--|-----------|-----------|

Evaluator Notes:

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Total points scored for this section: 44  
Total possible points for this section: 46

## 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
- a. Procedures to notify an operator (company officer) when a noncompliance is identified Yes ☒ No ☐ Needs Improvement ☐
- b. Procedures to routinely review progress of compliance actions to prevent delays or breakdowns Yes ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

Procedures in place.

- 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
- a. Were compliance actions sent to company officer or manager/board member if municipal/government system? Yes ☒ No ☐ Needs Improvement ☐
- b. Were probable violations documented? Yes ☒ No ☐ Needs Improvement ☐
- c. Were probable violations resolved? Yes ☒ No ☐ Needs Improvement ☐
- d. Was the progress of probable violations routinely reviewed? Yes ☐ No ☐ Needs Improvement ☒

Evaluator Notes:

Compliance actions appear well documented and information in files, but improvement needed in timely follow-up to obtain closure of issues - although no issues found dropped. Much of reason is due to staff turnover and it's expected to be resolved as new staff is brought on and up to speed.

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

Evaluator Notes:

No issues on actions issued.

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

Evaluator Notes:

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

Evaluator Notes:

No issues, penalties have been issued.

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

Evaluator Notes:

Yes, fines have been issued.

- 7 General Comments:

Info Only = No Points

Evaluator Notes:

Info Only Info Only

Just an overall volume of issues outstanding the need focus on resolution before too much time elapses. Should be taken care of with full staff.

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Total points scored for this section: 14  
Total possible points for this section: 15



## PART E - Incident 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, procedures are outline in manual

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

they publish list provide to operators for after-hours incidents. No issues.

- 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

- 4 Were all incidents 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 when appropriate Yes ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

They had a lot of incidents in CY2014, the incidents reviewed all appear to be investigated appropriately and recommendations to prevent recurrence were asked for in applicable instances.

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

Yes = 1 No = 0

Evaluator Notes:

Yes, specifically incident and Millett and Guinea, still pending.

- 6 Did the state assist region office by taking appropriate follow-up actions related to the operator incident reports to ensure accuracy and final report has been received by PHMSA? (validate report data from operators concerning incidents/accidents and investigate discrepancies) Chapter 6 1 1

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

This is in process and have developed a spreadsheet to provide better communication forthcoming.

- 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:

Yes, also share with operators

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**8** General Comments:

Info Only = No Points

Info Only

Evaluator Notes:

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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? NTSB<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

This was addressed on HQ inspections in CY2012 under inspections.

- |   |   |   |   |
|---|---|---|---|
| 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?<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

This is covered under 192.614 inspections conducted second half 2014.

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

Evaluator Notes:

Dave Chislea director on Damage Prevention Board, new law now enforcement. No issues.

- |   |  |   |   |
|---|--|---|---|
| 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)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

Yes, and information is also posted on Web. No issues.

- |   |  |  |                    |
|---|--|--|--------------------|
| 5 | General Comments:<br>Info Only = No Points |  | Info OnlyInfo Only |
|---|--|--|--------------------|

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<br>Info Only = No Points | Info Only | Info Only |
|---|---|-----------|-----------|

Name of Operator Inspected:  
SEMCO Energy, Battle Creek Division

Name of State Inspector(s) Observed:  
Kyle Friske, Eleanor Mundorf, Paul Shapter

Location of Inspection:  
Battle Creek MI

Date of Inspection:  
June 3, 2015

Name of PHMSA Representative:  
Rex eVans

Evaluator Notes:

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

Evaluator Notes:

This was at operator office, record review 1st half 2015 inspection. Primarily corrosion issues are being inspected.

- |   |   |   |   |
|---|---|---|---|
| 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)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

Inspector used inspection form via electronic database that they use for inspection

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

Evaluator Notes:

No issues

- |   |  |   |    |
|---|--|---|----|
| 5 | Did the inspector check to see if the operator had necessary equipment during inspection to conduct tasks viewed? (Maps,pyrometer,soap spray,CGI,etc.)<br>Yes = 1 No = 0 | 1 | NA |
|---|--|---|----|

Evaluator Notes:

this inspection required no field equipment

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

- |    |                        |                                     |
|----|------------------------|-------------------------------------|
| a. | Procedures             | <input checked="" type="checkbox"/> |
| b. | Records                | <input checked="" type="checkbox"/> |
| c. | Field Activities       | <input type="checkbox"/>            |
| d. | Other (please comment) | <input type="checkbox"/>            |

Evaluator Notes:

Procedures and records were reviewed during this day

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

No issues currently

- 
- |          |   |   |   |
|----------|---|---|---|
| <b>8</b> | 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)<br>Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

Evaluator Notes:

No issues

- 
- |          |   |   |    |
|----------|---|---|----|
| <b>9</b> | During the exit interview, did the inspector identify probable violations found during the inspections? (if applicable)<br>Yes = 1 No = 0 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

None found N/A

- 
- |           |   |           |           |
|-----------|---|-----------|-----------|
| <b>10</b> | 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.<br>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 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                 | <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 type="checkbox"/> |
| J. | Other                       | <input type="checkbox"/> |

Evaluator Notes:

This inspection was record portion of unit inspection only. Discussed field activities to take place.

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



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

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

Evaluator Notes:

- |          |  |   |   |
|----------|--|---|---|
| <b>2</b> | 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:

- |          |   |   |   |
|----------|---|---|---|
| <b>3</b> | 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:

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

Evaluator Notes:

Per notes from Central Region - very good findings on DTE inspection

- |          |  |   |    |
|----------|--|---|----|
| <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? | 1 | NA |
|          | Yes = 1 No = 0 Needs Improvement = .5  |   |    |

Evaluator Notes:

- |          |   |   |   |
|----------|---|---|---|
| <b>6</b> | 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:

- |          |  |   |   |
|----------|--|---|---|
| <b>7</b> | 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:

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

Evaluator Notes:

Central Region Comments - Hans Shieh. Very pleased with MI cooperation and thoroughness on the interstate inspections.

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

**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:

- |          |  |   |    |
|----------|--|---|----|
| <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:

- |          |  |   |    |
|----------|--|---|----|
| <b>3</b> | Were any probable violations identified by state referred to PHMSA for compliance?<br>(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:

- |          |   |   |    |
|----------|---|---|----|
| <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:

- |          |  |   |    |
|----------|--|---|----|
| <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:

- |          |  |   |    |
|----------|--|---|----|
| <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:

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

Evaluator Notes:

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