



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

1200 New Jersey Avenue SE
Washington DC 20590

2015 Gas State Program Evaluation

for

MISSOURI 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)



2015 Gas State Program Evaluation -- CY 2015

Gas

State Agency: Missouri

Agency Status:

Date of Visit: 07/12/2016 - 07/14/2016

Agency Representative: Kathleen McNelis, Program Manager
Bob Leonberger - Former Program Manager

PHMSA Representative: Rex Evans

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

Name/Title: Daniel Y. Hall, Chairman
Agency: Missouri Public Service Commission
Address: 200 Madison Street, P.O. Box 360
City/State/Zip: Jefferson City, MO 65102-0360

Rating:

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

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

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 9.5
13 12
49 31
15 12
11 10
8 8
12 12
0 0
0 0

TOTALS

118 94.5

State Rating

80.1

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: No issues found			
2	Review of Inspection Days for accuracy - Progress Report Attachment 2 Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: Inspection days appear correct based on information reviewed.			
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: No issues			
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: Information matches PDM report			
5	Accuracy verification of Compliance Activities - Progress Report Attachment 5 Yes = 1 No = 0 Needs Improvement = .5	1	0.5
Evaluator Notes: Actual numbers were slightly different and higher than number listed. Improvement needed in record keeping			
6	Were pipeline program files well-organized and accessible? - Progress Report Attachment 6 Yes = 2 No = 0 Needs Improvement = 1	2	2
Evaluator Notes: Standard Inspection files were easily accessible and organized for review.			
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 192,193,198,199 Rules and Amendments - Progress Report Attachment 8 Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: No issues			
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, recommend possible enhancement.

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

Info OnlyInfo Only

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



PART B - Program Inspection Procedures

Points(MAX) Score

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Standard procedures found in Section 5 of procedures. Pre-Inspection, inspection and post-inspection information has been incorporated into procedures. Giving needs improvement as this is apparently still a work in progress on the overall plan, updated checklists need to be added and all communicated to staff.

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

DIMP Section 5.5.6, IMP Section 5.5.7 No issues

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

OQ procedures covered Section 5.5.5.

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

Chapter 9 of procedures

- | | | | |
|---|--|---|---|
| 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 5.5.14 of procedures

- | | | | |
|---|--|---|---|
| 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 5.5.12 - A definite lack of construction inspections are taking place and effort is needed to enhance these efforts. Also recommend concentration on construction should be more than "random" as described in procedures.

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

Information appears to be adequate covered in Section 4.2 of procedures and units appear broken down satisfactorily.

8 General Comments:

Info Only = No Points

Info Only Info Only

Evaluator Notes:

Total points scored for this section: 12
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 0
Yes = 5 No = 0
- A. Total Inspection Person Days (Attachment 2):
486.00
- B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 7.22 = 1589.50
- Ratio: A / B
486.00 / 1589.50 = 0.31
- If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0
Points = 0

Evaluator Notes:

486 of 615 days needed achieved. 486/1589.5 = .31 ratio. Zero points given after previous year also not achieved. Informed that funding will be lost if days not achieved during next cycle.

- 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 ☒ No ☐ Needs Improvement ☐
- b. Completion of Required DIMP*/IMP Training before conducting inspection as lead? *Effective Evaluation CY2013 Yes ☒ No ☐ Needs Improvement ☐
- c. Root Cause Training by at least one inspector/program manager Yes ☒ No ☐ Needs Improvement ☐
- d. Note any outside training completed Yes ☒ No ☐ Needs Improvement ☐
- e. Verify inspector has obtained minimum qualifications to lead any applicable standard inspection as the lead inspector. Yes ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

All courses appear to have been taken as needed. Recommended getting inspectors through OQ seminar course who have not taken it. Requirement to do this starting December 2015 and must be taken for three years. Also have new Drug and Alcohol WBT needed.

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

Evaluator Notes:

First and partial year program manager. Discussed general policy on needs improvement for first year and encouraging continuous involvement to achieve full points.

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

Evaluator Notes:

Letter was received October 7, 2016 after extension granted by Zach last year. Several issues outlined in letter are yet to be corrected and no points on this question.

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

Evaluator Notes:

Annual conference is held at Lake of Ozarks

- | | | | |
|---|--|---|---|
| 6 | Did state inspect all types of operators and inspection units in accordance with time intervals established in written procedures? Chapter 5.1
Yes = 5 No = 0 Needs Improvement = 1-4 | 5 | 3 |
|---|--|---|---|

Evaluator Notes:

Due to Master Meter operators not having inspections in files along with continued issue of comprehensive O & M inspections not being completed deducting 2 of 5 points. Also would like to note lack of construction inspections in files all these areas need immediate attention.

- | | | | |
|---|--|---|---|
| 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 | 1 |
|---|--|---|---|

Evaluator Notes:

No inspection forms or site visit notes were made on construction inspections, and continued issue of Comprehensive O & M checklist had not been made part of checklist or completed, but currently under revision. Overall standard inspections appear well documented and necessary items have been added, but recommend thorough review with PHMSA form-2

- | | | | |
|---|---|---|---|
| 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
Yes = 1 No = 0 | 1 | 1 |
|---|---|---|---|

Evaluator Notes:

Question is now on revised checklist in corrosion control section of checklist

- | | | | |
|---|--|---|---|
| 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
Yes = 1 No = 0 | 1 | 1 |
|---|--|---|---|

Evaluator Notes:

On page 6 of checklist, continuing surveillance

- | | | | |
|----|---|---|---|
| 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
Yes = 1 No = 0 | 1 | 1 |
|----|---|---|---|

Evaluator Notes:

on checklist, Emergency Operating Procedures section, page 7

- | | | | |
|----|--|---|---|
| 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
Yes = 1 No = 0 | 1 | 1 |
|----|--|---|---|

Evaluator Notes:

Covered under 192.617 in checklist

- | | | | |
|----|--|---|---|
| 12 | 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:

Missouri has file with data and trend information gathered for past few years. No issues at this time. Recommend documenting individual operator review, which state has been given example of checklist/form they could use to complete

- 13 Did state input all applicable OQ, DIMP/IMP inspection results into federal database in a timely manner? This includes replies to Operator notifications into IMDB database. Chapter 5.1 2 1
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

While six protocol 9 inspections have been uploaded in past few months. Improvement still needed. This is more of a lack of these inspections being completed and necessary forms filled out.

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

Evaluator Notes:

Separate correspondence has occurred with Transmission operators on this issue. Also still recommend adding to checklist.

- 15 Is the state verifying operators are conducting drug and alcohol tests as required by regulations? This should include verifying positive tests are responded to in accordance with program. 49 CFR 199 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Elements are covered during standard inspection. Recommend reviewing PHMSA inspection forms and completing DA WBT to ensure all items are being covered.

- 16 Is state verifying operators OQ programs are up to date? This should include verification of any plan updates and that persons performing covered tasks (including contractors) are properly qualified and requalified at intervals determined in the operators plan. 49 CFR 192 Part N 2 0
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Carry over item, no full OQ program reviews in file. OQ programs need full review. No points given

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

Evaluator Notes:

Carry over item. Again, large operators should have reviews done and inspections uploaded to database. Recommend annual review with large operators and further complete overall analysis on where IMP programs stand and make sure all uploaded into database or IA program

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

Evaluator Notes:

No current issue, but also recommend annual review with large operators much like IMP program reviews. Should ensure adequate documentation of reviews occur in future.

- 19 Is state verifying operators Public Awareness programs are up to date and being followed. State should also verify operators have evaluated Public Awareness programs for effectiveness as described in RP1162. 49 CFR 192.616 (I13-16) PAPEI Effectiveness Inspections should be conducted every four years per RP1162 2 0
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Carry over item from previous year. Effectiveness inspections have not been completed and need to get caught up.

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

Evaluator Notes:

Website acceptable

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

Evaluator Notes:

None in 2015

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

Evaluator Notes:

Individual communications with operators on this issue. City of Springfield in particular has quarterly and annual reports. Large operators participate in PPDC

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

Evaluator Notes:

No issues

- 24** If the State has issued any waivers/special permits for any operator, has the state verified conditions of those waivers/special permits are being met? This should include having the operator amend procedures where appropriate. 1 1
No = 0 Needs Improvement = .5 Yes = 1

Evaluator Notes:

List of operators who had previously received a waiver on plastic joining, recommend listing those states specifically on checklist. No apparent issues at this time.

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

Evaluator Notes:

Bob Leonberger attended National NAPSRS Mtg

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

Reviewed metrics with state, discussed AA's when possible trends arise. Found no issues at this time.

- 27** General Comments:
Info Only = No Points

Info Only Info Only

Evaluator Notes:

Total points scored for this section: 31
Total possible points for this section: 49



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 | 3 |
| a. | Procedures to notify an operator (company officer) when a noncompliance is identified | Yes <input type="radio"/> | No <input type="radio"/> Needs Improvement <input checked="" 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:

Carry over item - need to state in procedures compliance sent to company officer. compliance procedures in Section 5.6

- | | | | |
|----------|--|--------------------------------------|---|
| 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 | 3 |
| a. | Were compliance actions sent to company officer or manager/board member if municipal/government system? | Yes <input type="radio"/> | No <input type="radio"/> Needs Improvement <input checked="" 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 type="radio"/> | No <input type="radio"/> Needs Improvement <input checked="" type="radio"/> |

Evaluator Notes:

compliance actions appear to be addresses satisfactorily, documented and resolved. Compliance actions are still not all sent to company officer/or appropriate city government official. Also discussed need to outline civil penalties in correspondence with operator as outlined in Guidelines.

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

Evaluator Notes:

It was found all compliance actions reviewed were communicated to operators.

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

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 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

Evaluator Notes:

Yes, state process is clear. Civil penalties have been considered - most recent was MGE incident February 2013 in Kansas City.

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

Evaluator Notes:

State can not demonstrate it is using fining authority.

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

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

Total points scored for this section: 12
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:

Section 6 of procedures

- 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:

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:

It appears adequate information has been exchanged if on-site investigation did not occur.

- 4 Were all incidents investigated, thoroughly documented, and with conclusions and recommendations? 3 2

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:

State does a very good job on large incidents. Improvement needed in documentation and file review of smaller incidents. Specifically MGE incident on July 6, 2015 Pleasant Valley, MO: and MGE incident August 7, 2015 in Kansas City. Files were not complete and emphasized the necessity of keeping better more organized files on these incidents and be sure to provide any recommendations to prevent recurrence with operator.

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

Yes = 1 No = 0

Evaluator Notes:

compliance actions were issued via letter correspondence with operators.

- 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:

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 = No Points

Info OnlyInfo Only

Evaluator Notes:

Total points scored for this section: 10
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
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

This issue is covered on checklist

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

No issues - damage prevention area on checklist - recommend language on checklist be amended with language from this question.

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

No issues, they participate in statewide activities.

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

This is covered on data and trend analysis, no issues.

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

Name of Operator Inspected:

Missouri Gas Energy (MGE) (Joplin, MO Unit)

Name of State Inspector(s) Observed:

John Kottwitz ? Lead, Brian Buchanan, Aaron Archer, Clinton Foster, Evan Neunar,
Mark Struckhoff

Location of Inspection:

MGE's Operation Center at 520 E. 5th Street, Joplin, MO

Date of Inspection:

April 4 ? 7, 2016

Name of PHMSA Representative:

Don Martin

Evaluator Notes:

The MPSC conducted a "Standard Inspection of a Gas Distribution Operator" of MGE's system in and near Joplin, MO. The MPSC conducted the previous Standard Inspection of this inspection unit in December, 2014. The MPSC conducted a records review of MGE's operations since December, 2014. The MPSC reviewed records on Monday, April 4th and Tuesday, April 5th. The MPSC observed cathodic protection readings, overpressure protection testing and valve operation performed by the operator on Wednesday, April 6th. The MPSC conducted an exit interview Thursday morning, April 6th. The operator was represented by Patrick Seamands, Director ? Regulatory Compliance and Nicole Christianer, Manager - Gas Distribution of the St. Louis office. Local operating supervision was also represented.

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

Evaluator Notes:

Yes. John Kottwitz notified MGE's Patrick Semands by an email dated February 11, 2016.

- | | | |
|----------|---|----|
| 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)
Yes = 2 No = 0 Needs Improvement = 1 | 22 |
|----------|---|----|

Evaluator Notes:

The MPSC inspectors utilized the MPSC's GAS SAFETY INSPECTION CHECKLIST 4 CSR 240-40.030 AND 40.080, REVISION DATE: 03/07/2011. The MPSC's Inspection Procedures states this checklist is to be used for Gas Distribution Operators. The checklist was used as a guide while conducting the inspection of MGE. It should be noted that this checklist is the correct checklist noted by the MPSC's procedures; however, it is not concluded from this observation that it covers all of the requirements that are contained in the federal inspection form.

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

Evaluator Notes:

A copy of the form was provided. The form was completed in its entirety and was very detailed in its documentation of the inspection.

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|----------|--|----|
| 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.)
Yes = 1 No = 0 | 11 |
|----------|--|----|

Evaluator Notes:

Yes, the MPSC verified that the operator used the correct equipment as outlined in the operator's O&M Procedures and Operator Qualification Plan.

- 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:

There were no issues identified with the inspectors' review of records and field activities. An O&M Procedures adequacy review was not in the scope of this 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:

The Lead Inspector, John Kottwitz, has been an inspector for many years and is very knowledgeable of pipeline safety regulations. There were no issues identified with the other members of his inspection team.

- 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) 1 1
Yes = 1 No = 0

Evaluator Notes:

Yes. An interview was conducted on the morning April 7th. Patrick Semands was present by conference call. All other representatives were present in the conference room.

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

Evaluator Notes:

Six Areas of Probable Violations were discussed with the operator. The MPSC stated the requirements of the pipeline safety standards for each probable violation and the operator's action/inaction that resulted in the probable violation. The MPSC explained the steps that would take place in the future to address the probable violation.

- 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 Info Only

Info Only = No Points

- a. Abandonment ☐
- b. Abnormal Operations ☒
- c. Break-Out Tanks ☐
- d. Compressor or Pump Stations ☐
- e. Change in Class Location ☐
- f. Casings ☒
- g. Cathodic Protection ☒
- h. Cast-iron Replacement ☒
- i. Damage Prevention ☒
- j. Deactivation ☐
- k. Emergency Procedures ☒
- l. Inspection of Right-of-Way ☒
- m. Line Markers ☒
- n. Liaison with Public Officials ☒
- o. Leak Surveys ☒
- p. MOP ☐
- q. MAOP ☐

- | | | |
|----|-----------------------------------|-------------------------------------|
| r. | Moving Pipe | <input type="checkbox"/> |
| s. | New Construction | <input type="checkbox"/> |
| t. | Navigable Waterway Crossings | <input type="checkbox"/> |
| u. | Odorization | <input checked="" type="checkbox"/> |
| v. | Overpressure Safety Devices | <input checked="" type="checkbox"/> |
| w. | Plastic Pipe Installation | <input type="checkbox"/> |
| x. | Public Education | <input checked="" type="checkbox"/> |
| y. | Purging | <input type="checkbox"/> |
| z. | Prevention of Accidental Ignition | <input type="checkbox"/> |
| A. | Repairs | <input checked="" type="checkbox"/> |
| B. | Signs | <input checked="" type="checkbox"/> |
| C. | Tapping | <input type="checkbox"/> |
| D. | Valve Maintenance | <input checked="" type="checkbox"/> |
| E. | Vault Maintenance | <input type="checkbox"/> |
| F. | Welding | <input checked="" type="checkbox"/> |
| G. | OQ - Operator Qualification | <input checked="" type="checkbox"/> |
| H. | Compliance Follow-up | <input checked="" type="checkbox"/> |
| I. | Atmospheric Corrosion | <input checked="" type="checkbox"/> |
| J. | Other | <input type="checkbox"/> |

Evaluator Notes:

The MPSC covered all items noted above. As noted previously, the timeframe for records inspected during this inspection was since December, 2014. There were no best practices identified during this observation visit that could be shared with other State Programs.

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



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

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

Evaluator Notes:

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

Evaluator Notes:

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

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

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

Evaluator Notes:

- | | | | |
|----------|--|---|----|
| 6 | 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:

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

Evaluator Notes:

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

Evaluator Notes:

Section Not Applicable

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

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:

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

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

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

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

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

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

Evaluator Notes:

Section Not Applicable

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