



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

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 -- 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: New York

Agency Status:

Date of Visit: 06/15/2015 - 06/18/2015

Agency Representative: Kevin Spiecher, Chief Pipeline Safety

PHMSA Representative: Jim Anderson

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

Name/Title: Audrey Zibelman, Chair

Agency: New York Public Service Commission

Address: Empire State Plaza, Agency Building 3

City/State/Zip: Albany, New York 12223-1350

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

Possible Points Points Scored

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)

10	9
13	13
45	44
15	13
11	11
8	8
12	12
6	6
0	0

TOTALS

120 116

State Rating

96.7

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. Added new LDC, City of Hamilton and new transmission operators, Crestwood and Minardrun.

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

Evaluator Notes:

Days are calculated by adding payroll code hours for each inspection category and dividing by 7.5 (hours in workday) to determine number of inspection day activities.

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

Bluestone listed as gathering line. Not significant.

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

All incidents reported on Attachment 4 are listed in the PDM database. No issues.

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

Evaluator Notes:

No issues.

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

Evaluator Notes:

Needs improvement. Filmore Gas inspection had issues.

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

Down graded several inspectors from category I to III. Corrected prior to allocations being signed.

No points deducted.

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

Rules not upto date, service line definition not approved until 2015. Noted on Progress Report. Plan to send PHMSA State Programs letter noting when rules and regulations are current.

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

Evaluator Notes:

No issues.

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- 10 General Comments:

Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

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:

Pre-Inspection, Inspection Activities and Post Inspection Activities are addressed in Section 4.4 and Section 10 of the Staff Guideline Manual.

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

Pre-Inspection, Inspection Activities and Post Inspection Activities are addressed in Section 4, specifically 4.7.3, of the Staff Guideline Manual. This procedure provides guidance for utilizing federal inspection forms, protocols, and posting the reports/findings on the LAN. 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 location: T:\division\gaswater\safety\DIMP.

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|---|--|---|---|
| 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 4.7.2 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.

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|---|---|---|---|
| 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.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

In Section 4.11 of the Staff Guidelines Manual.

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

In Chapter 6, CONSTRUCTION, of the Staff Guidelines Manual.

- | | | | |
|----|---|--------------------------------------|--|
| 7 | Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements?
Yes = 6 No = 0 Needs Improvement = 1-5 | 6 | 6 |
| 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:

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."

Section 4.3 in the Staff Guidance Manual also 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."

8 General Comments:

Info Only = No Points

Info OnlyInfo Only

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):
4252.00

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 22.29 = 4903.62

Ratio: A / B
4252.00 / 4903.62 = 0.87

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

Evaluator Notes:

Ratio very high. Inspection days counted by dividing 7.5 (workday hours) into inspection hours.

Had discussion on how to count 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 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 issues. Verified in TQ SABA.

- 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. Kevin Speicher knowledgeable on pipeline safety 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:

No issues, time frame met.

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

Evaluator Notes:

Yes, last held September 2013.

- 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:

Yes. No issues, have database to monitor inspection schedule.

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|---|---|---|---|
| 7 | Did inspection form(s) cover all applicable code requirements addressed on Federal Inspection form(s)? Did State complete all applicable portions of inspection forms?
Chapter 5.1
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 1 |
|---|---|---|---|
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Evaluator Notes:

Inspection forms covered codes. Bath inspection summary sheet and inspection form did not match. Needs improvement.

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|---|--|---|---|
| 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 |
|---|--|---|---|
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Evaluator Notes:

Yes. Graphitization is covered and documented, where applicable, in the 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.

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|---|--|---|---|
| 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 |
|---|--|---|---|
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Evaluator Notes:

Yes. Surveillance of cast iron pipelines is covered and documented, where applicable, in the 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.

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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
Yes = 1 No = 0 | 1 | 1 |
|----|---|---|---|
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Evaluator Notes:

The Commission issued its Gas Emergency Plan Final Order (Case 13-G-0484) on December 18, 2013. The order requires LDCs to submit emergency plans with consideration of the best practices developed by Staff, and in conjunction with working group efforts at Staff's 2013 Pipeline Safety Seminar. Forms and a tracking document have been created and maintained by Patrick Raichel. These plans were reviewed during the 2014 calendar year.

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| 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 |
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Evaluator Notes:

Yes. All incident and accident notifications received are reviewed and documented in the 'INL' access database which is located in T:\division\gaswater\safety.

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| 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 |
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Evaluator Notes:

Yes. Review incorporated in with the Performance Measures published in June 2015.

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

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

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|-----------|---|---|---|
| 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
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|
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Evaluator Notes:
Yes. 2 conducted in 2014.

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|-----------|---|---|---|
| 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
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|
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Evaluator Notes:
Yes. Uses form 9. A comprehensive OQ plan review was completed for National Fuel Gas and Consolidated Edison during 2014.

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| 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
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|--|---|---|
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Evaluator Notes:
A comprehensive IMP Plan audit has been completed for National Grid (Upstate)(NG), Central Hudson (NG), and Northville Industries (Liquid). Currently scheduled are comprehensive audits of NYS Electric & Gas (NG), Rochester Gas & Electric (NG), St. Lawrence Gas (NG), and Con Edison's Fuel Line (Liquid) for 2015.

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|-----------|--|---|---|
| 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 be complete by December 2014
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
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Evaluator Notes:
The comprehensive DIMP Plan audits have been completed and their results uploaded to the DIMP database.

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| 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 have been completed by December 2013
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
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Evaluator Notes:
Yes. Due to operators not having comprehensive plans, secondary reviews have been continuous and will continue through 2015.

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

Evaluator Notes:

Yes. A public website, www.dps.ny.gov. This website allows stakeholders the ability to search any and all of the commission documents, file a complaint, dispute a resolution, view press releases, view public notices, and view the session via webcast.

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

Evaluator Notes:

No SRC in 2014.

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
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Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Quarterly meetings are held with the operators to discuss advisory bulletins, pipe/component defects and their disposition, federal notices, etc. PSC has plastic pipe database to monitor this. Reviewed last quarterly entries.

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

Evaluator Notes:

Yes.

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.(New Question for CY2013, no points until CY2015 evaluation conducted in CY2016)	0	0
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Info Only = No Points

Evaluator Notes:

None in 2014.

25	Did the state attend the National NAPS Board of Directors Meeting in CY being evaluated? (New Question for CY2014, no points first year)	0	0
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Info Only = No Points

Evaluator Notes:

Yes.

26	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) http://primis.phmsa.dot.gov/comm/states.htm	0	0
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Info Only = No Points

Evaluator Notes:

Yes. Discussed with program manager.

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

Evaluator Notes:

Total points scored for this section: 44
Total possible points for this section: 45



PART D - Compliance Activities

Points(MAX) Score

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

Executive is listed as a company officer glossary in Section 3.1. Section 4.1 states letter be sent to executive.
Yes. 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.

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|----------|--|---|---|
| 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 checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b. | Were probable violations documented? | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c. | Were probable violations resolved? | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d. | Was the progress of probable violations routinely reviewed? | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |

Evaluator Notes:

Slow in notifying company of noncompliances. Sometimes it may take 9 months to a year to notify company of noncompliance.

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

Yes.

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

Yes. Each record audit letter states "Please provide a written response, within 30 days, outlining what actions have and/or will be taken by [the operator] to prevent similar violations from occurring.

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

Evaluator Notes:

Program manager is familiar with state process for fines.
No on fines. No fines issued for repeat violations of Commission safety rules.
Fines are used for damage prevention violation and only when an incident occurs.

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|----------|---|---|---|
| 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 |
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Evaluator Notes:

Yes.

7

General Comments:

Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

Total points scored for this section: 13
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. 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 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:

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 judges 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:

NY PSC investigates all reportable leaks.

- 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:

Yes. In addition to the 'INL', operators submit 'No Call Damage' reports which are documented in the '753' database, located in R:\project\753\database. The proper enforcement action is subsequently determined by the Albany Engineering Staff, Council, and Supervisory Staff. These follow up actions are documented in the '753' database. Also included in this database, are any complaints made by excavators or third parties which results in an enforcement action.

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

Yes = 1 No = 0

Evaluator Notes:

Yes. 4 of the 11 will have violations sent to operator. Also included in DMM are 25/25A compliance actions against companies for violations identified during investigations. The most recent action was in Case 15-G-0171 for an incident which occurred on August 10, 2014 at 310 Paige Street, in Schenectady.

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

Evaluator Notes:

Yes.

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

Evaluator Notes:

Yes. At operator and NAPS Region meetings.

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

Evaluator Notes:

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

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. NY PSC rules require "potholing".

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

During construction monitoring, incident investigations, and 753 (DP regulations) 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.)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

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. An independent consultant was selected to audit the performance data submitted by each of the companies. A collaborative meeting was subsequently held between the companies and Staff to review the results and identify areas of possible improvement.

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

The state collects and evaluates the data associated with pipeline damages per 1,000 locate request. NYS will be publishing the 2014 Gas Safety Performance Measures Report in June 2015.

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

Name of Operator Inspected:

5/6/2015 - National Grid (LNG) 5/7/2015 - ConED

Name of State Inspector(s) Observed:

5/6/2015 - Jonathan Mercuro 5/7/2015 - Arpit Mehta

Location of Inspection:

5/6/2015 - Brooklyn, NY 5/7/2015 - Yonkers, NY

Date of Inspection:

5/6/2015 and 5/7/2015

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. No issues.

- 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:

Used IA at LNG facility and had state new construction form at main replacement inspection.

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

Evaluator Notes:

Yes. At both locations.

- 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.) 1 1
Yes = 1 No = 0

Evaluator Notes:

Yes. No issues.

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

a. Procedures ☒

b. Records ☐

c. Field Activities ☒

d. Other (please comment) ☐

Evaluator Notes:

Yes. At both locations.

- 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. Both were knowledgeable.

- | | | | |
|---|---|---|---|
| 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. No issues at LNG facility. At ConED main replacement discussions were held about not follow procedures.

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

Yes. Operator did not follow written procedures on the main replacement.

- | | | | |
|----|--|-----------|-----------|
| 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 | <input checked="" 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 checked="" type="checkbox"/> | |
| i. | Damage Prevention | <input type="checkbox"/> | |
| j. | Deactivation | <input checked="" 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 checked="" 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 checked="" 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 checked="" 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:

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

Evaluator Notes:

Uses IA inspection form.

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

Evaluator Notes:

Yes.

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

Evaluator Notes:

Yes.

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

Evaluator Notes:

Yes. Sent 3 to PHMSA Eastern Region for follow up.

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

NA for 2014.

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

Evaluator Notes:

Yes.

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

Evaluator Notes:

Yes.

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

Evaluator Notes:

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)?
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:

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