



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

Office of Regulatory Staff of South Carolina

### 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:** South Carolina

**Agency Status:**

**Date of Visit:** 10/20/2015 - 10/22/2015

**Agency Representative:** Mr. Vernon L. Gainey, Pipeline Safety Supervisor, Office of Regulatory Staff

**PHMSA Representative:** Jim Anderson

Agustin Lopez

**Rating:**

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

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

**Name/Title:** Mr. C. Dukes Scott, Executive Director

**Agency:** Office of Regulatory Staff

**Address:** 1401 Main Street, Suite 900

**City/State/Zip:** Columbia, South Carolina 29201

## 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 | 10 |
| 13 | 13 |
| 37 | 36 |
| 15 | 15 |
| 8  | 8  |
| 8  | 8  |
| 12 | 12 |
| 0  | 0  |
| 0  | 0  |

### TOTALS

**103 102**

**State Rating ..... 99.0**

## PART A - Progress Report and Program Documentation Review

Points(MAX) Score

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

Evaluator Notes:

Verified unit counts with ORS records which supported the unit data. Compared number of operators with annual reports which were accurate.

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

Evaluator Notes:

ORS has a Master Schedule which tracks inspections by type, operator, inspector and person days spent. Inspection days in Progress report was verified with Master Schedule.

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

Evaluator Notes:

ORS keeps Operator list with all operator units. List was reviewed to verify Progress report data along with Annual Reports in Pipeline Data Mart.

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

Evaluator Notes:

ORS reported one reportable incident in their Progress Report which was verified in Pipeline Data Mart.

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

Evaluator Notes:

There was a discrepancy with the Progress Report from 2014 to 2013. The 2013 Progress report stated that there were 10 carry over Probable Violations to the next year but the 2014 Progress Report had only 1 carry over from previous year. The discrepancy was a clerical error and was reported to PHMSA through email by Vernon Gainey. The other non-compliance data was accurate and was verified with ORS records and data.

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

Evaluator Notes:

All ORS pipeline files are locked and only accessible by certain personnel. Files were reviewed and were well-organized by year, operator name and in alphabetical order. Files are now being electronically filed but paper copies are still kept in the files.

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

Evaluator Notes:

Reviewed training in Progress Report and compared to PHMSA T&Q database. Two ORS employees have left the pipeline safety program so only two current employees have completed all required training. John Iglesias was hired in January 2015 is currently scheduled for 8 classes in 2016.

- |   |                                                                                          |   |   |
|---|------------------------------------------------------------------------------------------|---|---|
| 8 | Verification of Part 192,193,198,199 Rules and Amendments - Progress Report Attachment 8 | 1 | 1 |
|---|------------------------------------------------------------------------------------------|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

June, 1976 is the original adoption date of the Federal Regulations by SC. All subsequent standards are adopted when revised and updated as part of state law, and as provided for in SC Public Service Commission Rules and Regulations.

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**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:

ORS described their accomplishments in detail. There were no issues identified with the data submitted.

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**10** General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

With the review of the Progress Report, PDM, and ORS records it seems that the ORS is complying with the requirements of Part A of this evaluation.

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



## PART B - Program Inspection Procedures

Points(MAX) Score

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

Yes = 2 No = 0 Needs Improvement = 1

### Evaluator Notes:

ORS PLS Guidelines state that ORS will conduct Pipeline Safety Compliance Inspection activities at least once each year at each jurisdictional Operator. These may include Standard Inspections. The ORS PLS Guidelines also state that a Standard Inspection as defined by PHMSA will be conducted at each Operator at least once each 5 year period. This is consistent with Guidelines for States Participating in the Pipeline Safety Program. Pre and Post inspection activities are also included in the ORS Procedures

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

ORS PLS Guidelines state that ORS will conduct Pipeline Safety Compliance Inspection activities at least once each year of each jurisdictional Operator. These may include IMP and DIMP inspections. DIMP inspections have been conducted of all Dist. Operators in SC (completed 2014) and IMP Inspections were completed of all Trans. Operators with the exception of one LFG Operator, who began operation in 2013. IMP inspections are being conducted during the last quarter of 2015 to cover seven of the oldest Operators. The remainder of Trans. IMP inspections will be conducted during 2016. PHMSA inspection forms are utilized for these inspections.

Suggested to ORS to include in their procedures that all IMP inspections should be uploaded to PHMSA's IM and DIMP databases.

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

ORS PLS Guidelines state that ORS will conduct Pipeline Safety Compliance Inspection activities at least once each year at each jurisdictional Operator. These may include OQ Inspections, Protocol #9 or any part of the OQ compliance requirements. Inspectors generally verify Operator personnel are current with OQ requirements and training during our routine compliance inspections of each Operator.

Suggested to ORS to amend their procedures to include that all OQ inspections will be uploaded to PHMSA's OQ database. Also recommended to ORS to perform an OQ Protocol 9 field inspection since the inspectors are already verifying the operators OQ records during most inspections.

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

ORS PLS Guidelines state that ORS will conduct Pipeline Safety Compliance Inspection activities at least once each year at each jurisdictional Operator. These may include damage prevention activities which is covered in the Standard Inspections. There were no Damage Prevention inspection performed in 2014.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

This type of activity is generally provided on an as needed basis, and can be performed as per PLS Guidelines. There was no operator training conducted in 2014.

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

ORS PLS Guidelines state that ORS will conduct Pipeline Safety Compliance Inspection activities at least once each year at each jurisdictional Operator. These may include Construction Inspections which can also be conducted each year.

- |    |                                                                                                                                                                                                           |                                      |                                                                  |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|------------------------------------------------------------------|
| 7  | Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements?<br>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:

The ORS Pipeline Safety Program Procedures were reviewed and seem to meet the PHMSA guidelines. The procedures state that to assist in determining a schedule of inspection activities with Operators, the following must be considered: a. Abnormal number of potential non-compliances historically found. b. Length of time since last inspection. c. Past leakage and/or incident history. d. Prior frequency and number of non-compliances observed, addressed, and documented. e. Any other event(s) within or without the Operator's facilities which may impose difficulty in administering O & M and compliance efforts and procedures. Priority ranking for chronological order and frequency of inspections is established by the Risk Ranking and will also reflect other known factors. These include as follows: a. Significant percentage of Operator facilities located in metropolitan and/or highly populated areas. b. Significant number of Operator facilities located and operated within high concentrations of commercial/industrial areas. c. Significant number of pipeline damages or failures recurring in specific geographic locations of Operator Service territory. d. Greater potential for facility damage in HCA's or other sensitive areas where these damages to a gas pipeline would probably cause major consequences. e. Operators' damages to facilities per 1000 locate notifications. f. Other indicative factors as determined to be germane to optimum compliance and safe operation of each Gas Operator's system. These factors are calculated and inserted into a Risk Ranking Plan so that Inspections can be scheduled at Operators presenting and dealing with the most risks and proceeding to inspections of Operators with fewer risks.

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

Evaluator Notes:

In reviewing the ORS Procedures it seems that they are complying with Part B of this evaluation.

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):  
379.00

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):  
220 X 2.95 = 649.00

Ratio: A / B  
379.00 / 649.00 = 0.58

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

**Evaluator Notes:**

Reviewed ORS person days data and compared with submitted information. The data matched with the progress report and the ORS has met the required Total Inspection person-days ratio.

- 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:**

All required core courses have been completed by Supervisor and one Inspector. Senior Inspector also has taken all OQ, PAP, DIMP, CRM, Root Cause, and IMP courses; #2 Inspector has taken PL0250 Course and is on track to take several courses next year. With recent retirement of our Senior Inspector (Michael Bunting, Sept. 14, 2015) we are interviewing for a replacement now. That individual will be placed on waitlist for TQ courses as soon as possible, taking the PL0250 Course first. No Inspector will lead any Inspection where subject matter has qualification TQ Course as a pre-requisite until he/she has completed that Course(s).

- 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:**

Mr. Gainey displays a wide variety of knowledge regarding Pipeline Safety Regulatory requirements. He is familiar with PHMSA requirements as well as SC Commission regulations. He does an outstanding job managing this Program and has hired and trained several Inspectors during his time. He has been responsible for the Program here at ORS since 2005, and prior to that he managed the Program at the SCPSC from 1999 until 2005.

- 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:**

The ORS responded to the Chairman's letter within 60 days there is no mention of attempting to correct the deficiency of civil penalty amounts equal to PHMSA's limits. Even though the letter does mention that there is no need for raising the civil penalty levels due to the good compliance record of the state operators, the ORS needs to attempt to adopt PHMSA's levels.

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

Evaluator Notes:

Yes, the last seminar was held on August 6-8, 2013.

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

Evaluator Notes:

All Operators and Inspection units were inspected during CY 2014. The ORS utilizes a risk ranking model to prioritize each Operators chronological order for Inspection activities. Files were also reviewed to verify the type of inspection performed and to verify the time frame between comprehensive inspections.

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- |          |                                                                                                                                                                                                                            |   |   |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| <b>7</b> | 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 | 2 |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
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Evaluator Notes:

Operators' facilities are inspected on odd/even years using the comprehensive (Standard) inspection form from PHMSA. For example, all LDC Operators are inspected odd years and all Trans. Operators inspected on even years. In addition, various areas of focus are inspected at more frequent intervals utilizing forms developed mostly by ORS. These may include but would not be limited to Corrosion Control Monitoring, Critical Valve Maintenance, Leak Survey, Pressure Regulation Stations, New Construction, PAP, DIMP, Drug and Alcohol Abuse Prevention plans, Propane Air plants, Liquefied Natural gas facilities, OQ plan and utilization (mostly Protocol 9), and several others.

Inspection records were reviewed to verify completion of all forms used during the inspections. All forms reviewed were complete and covered the applicable code for the type of inspection.

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|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|----|
| <b>8</b> | 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 | NA |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|----|
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Evaluator Notes:

There has been no cast iron pipe in service in SC since 1996. All was completely replaced by removal, abandonment, or insertion.

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- |          |                                                                                                                                                                                                                                                                                                                                        |   |    |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|----|
| <b>9</b> | 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 | NA |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|----|
- 

Evaluator Notes:

There has been no cast iron pipe in service in SC since 1996. All was completely replaced by removal, abandonment, or insertion.

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- |           |                                                                                                                                                                                                                                                                                                                                                                                                   |   |   |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| <b>10</b> | 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 |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
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Evaluator Notes:

ORS utilizes the PHMSA Standard Inspection form and this is covered in the form. Since all applicable portions of the form are completed by ORS Inspectors, this has been covered. In addition, ORS has a "Daily Inspection Form" formulated specifically for Leak Survey and other leak response, categorization, and mitigation procedures. This form is utilized at various Operators in addition to the Standard Inspection.



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|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| <b>11</b> | 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:

ORS utilizes the PHMSA Standard Inspection form and this is covered in the form. Inspection reports were reviewed to confirm all question were answered by the inspector. All applicable portions of the form were completed by ORS Inspectors.

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|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| <b>12</b> | 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:

ORS reviews Operator Annual Reports sent to PHMSA (Operators are asked to forward this office a copy) for accuracy and to identify any negative trends that may be appearing. Operators are contacted with any abnormalities or other issues that may be identified. Also, some of the information that is collected, summarized, and reviewed is used to generate the Risk Ranking Model.

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- |           |                                                                                                                                                                                                                             |   |   |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| <b>13</b> | 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<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 1 |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

Evaluator Notes:

On September 21, 2014 a printout of South Carolina's OQ database inspections was generated which only included one OQ inspection in 2014. During the evaluation there were several OQ inspections in the database which were uploaded after September 21, 2014. The OQ inspection were performed in December 2014 which exceeds the recommended guidelines of uploading OQ inspections within 6 months of completing the inspection. All the inspections were uploaded 9 months after completing the inspections which is a point deduction.

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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:

The ORS reviews the submissions during their comprehensive inspections. NPMS was reviewed during the evaluation to confirm transmission pipeline operators were mapped in NPMS.

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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 | NA |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|----|

Evaluator Notes:

There were no Drug and Alcohol inspections performed in 2014. ORS stated that all operator Drug and Alcohol inspections have been performed in 2015.

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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:

ORS has conducted OQ Inspections of all Operators. This is also discussed during the Comprehensive Inspections. In addition, individual qualifications are reviewed when routine Inspections are conducted at the Operator facilities. We verify that the individual is properly qualified to perform any task that he will be asked to perform during the inspection.

The ORS has not performed OQ Plan reviews since 2004.

- |           |                                                                                                                                                                                                                                                                                                                                                                                              |   |    |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|----|
| <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 | NA |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|----|

Evaluator Notes:

There were no IMP inspections performed in 2014 but have completed an IMP inspection on all Transmission Operators in recent years.

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

The ORS completed all DIMP inspections of each Distribution Operator by the end of 2014 per the guidelines. Reviewed records to verify completion of DIMP inspections.

- |           |                                                                                                                                                                                                                                                                                                                                                                |   |    |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|----|
| <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<br>Effectiveness Inspections should have been completed by December 2013<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | NA |
|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|----|

Evaluator Notes:

The ORS completed all PAPEI inspections of each operator in 2013. They did not perform any PAPEI inspections in 2014.

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

ORS has a website and the Pipeline Safety Program has a portion. Announcements regarding Dig Safe Month, Pipeline Safety Seminar, and other events are posted. In addition, Inspection and enforcement activity is posted for use by stakeholders, as well as SCPSC Rules and Regulations Governing Gas Systems.

- |           |                                                                                                                                                 |   |    |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------|---|----|
| <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 | NA |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------|---|----|

Evaluator Notes:

There were no SRCR in South Carolina in 2014. Verified information in PHMSA's Pipeline Data Mart.

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

ORS covers this during Comprehensive Inspections and discussed with the Operators. ORS also encourages Operators to participate in the PPDC. Also have set of plastic pipe questions developed by ORS.

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

Evaluator Notes:

ORS participates in surveys by NAPSRS and PHMSA and files information electronically.

---

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

ORS has not issued any special permits/ waivers to operators.

---

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

Due to illness, no one from SC attended the NAPSRS National Meeting in CY 2014. Two Inspectors did attend the Region Meeting in TN.

---

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

ORS is aware of information posted in the PDM and reviews this information periodically. ORS agrees that the information is generally representative of the atmosphere in SC.

---

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

Evaluator Notes:

After review of ORS records, procedures and data, it seems that the ORS is generally complying with the requirements of Part C of this evaluation.

---

Total points scored for this section: 36  
Total possible points for this section: 37



## PART D - Compliance Activities

Points(MAX) Score

- |                                                                                                  |                                                                                                                                                                                      |                                      |                                                                  |
|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|------------------------------------------------------------------|
| <b>1</b>                                                                                         | Does the state have written procedures to identify steps to be taken from the discovery to resolution of a probable violation? Chapter 5.1<br>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:

The ORS provides the operator with a written non-compliance letter stating the probable violation(s) found during the inspection(s). The operator is given 15 days to provide a written response. If the operator does not dispute the violation(s) then corrective action must be taken and communicated to the ORS. The ORS follows up with the operator and verifies the corrective action(s) stated by the operator. The operator may also provide information that shows a probable violation(s) may not not been committed. If agreed to by the ORS, non-compliance(s) will be considered corrected. The ORS officially closes reports where all corrective actions have taken place or is cleared when operators provide supporting evidence that a violation did not occur, and follow-up inspections validate same. ORS also has option of referring cases to legal for further action. ORS has a master list of operator officials which is kept updated but needs to be in procedures stating that it will be updated regularly.

- |                                                                                                            |                                                                                                                                                                                                                                                                      |                                      |                                                                  |
|------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|------------------------------------------------------------------|
| <b>2</b>                                                                                                   | 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<br>Yes = 4 No = 0 Needs Improvement = 1-3 | 4                                    | 4                                                                |
| 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:

Reviewed randomly selected CY 2014 inspection report files and all probable violations were documented on the inspection forms and compliance letters sent to the operator. The proper company officers of private company operators and/or managers of municipal operators and other systems were sent compliance letters. The ORS followed its procedures to determine if corrective actions were completed by the operators by reviewing submitted documents or performing follow-up inspections.

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

### Evaluator Notes:

Reviewed several randomly selected CY 2014 which had compliance actions. ORS sends "Non-compliance letters" under Program Manager's signature as per Pipeline Safety Program Guidelines for all non-compliance issues found during inspections. Records were very well documented with compliance issues identified

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

### Evaluator Notes:

The ORS procedures give reasonable due process to operators. The ORS provides a 15 day response time for the operator to reply with a statement of the action taken to correct the probable violation(s), request additional time to correct or provide information that shows a violation(s) was not committed. The operator has the option to request a show cause hearing to argue its case that a violation(s) did not occur. Reviewed randomly selected CY 2014 records and found that reasonable due process is given to operators per ORS procedures.

- |          |                                                                                                                                                                                                                                                   |   |   |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| <b>5</b> | 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:

The Program Manager is familiar with the show cause hearing process which ORS may initiate to impose a civil penalty on an operator. The ORS must petition the South Carolina Public Service Commission, separate agency, for a Show Cause Hearing. There were no record of repeat violations or violations issued during incidents/accidents.

---

- 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:

The ORS has not issued a civil penalty in the form of a cash payment to the state treasury however, the ORS has stipulated actions that an operator must take which does cause the operator to incur expense to do so. In order to pursue a civil penalty through the South Carolina Public Service Commission the ORS weighs the gravity of the probable violation. In recent history the ORS has not documented a probable violation that was grievous enough to pursue a civil penalty. Several of the 28 probable violations found during CY 2014 were associated with DIMP inspections which were more appropriately addressed by requiring changes to plans.

---

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

Evaluator Notes:

Upon review of compliance procedures and records, the ORS seems to be generally in compliance with Part D of this evaluation.

---

Total points scored for this section: 15  
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:

The ORS has procedures for addressing incident/accident notifications. A telephone list is published for contact information for the operators. ORS can be reached 24 hours a day for reporting incidents. ORS Program Manager makes decision whether to conduct an on site investigation. If incident meets federal reporting requirements, an on-site investigation is required per the 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:

The ORS has procedures to receive and respond to operator incidents/accidents. ORS can be reached 24 hour a day by operators to report incidents. The Program Manager is aware of the MOU between NTSB and PHMSA. He is also aware of the federal/state cooperation in case of an incident.

Only one incident occurred in CY 2014 which was reportable to PHMSA. It is summarized in the Progress Report and the Operator filed a PHMSA Incident Report. This incident was investigated by ORS Inspector. Report was reviewed and was well documented.

- 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 NA

Yes = 1 No = 0 Needs Improvement = .5

### Evaluator Notes:

The ORS conducted an on-site investigation of all federal reported incidents in CY 2014. There was only one report that met the requirements in 2014.

- 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:

Investigation of the one incident which occurred in CY 2014 was investigated thoroughly and sufficient documentation was completed.

Suggest that the ORS use PHMSA Accident investigation form for all incidents that meet the PHMSA reportable requirements.

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

Yes = 1 No = 0

### Evaluator Notes:

There were no probable violations found during incident/accident investigations in CY 2014.

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

Evaluator Notes:

There were no requests made by PHMSA for assistance from the ORS in CY 2014.

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

Evaluator Notes:

The ORS shares information regarding incidents in South Carolina at the NAPSAR Southern Region Meetings, and "State of the State" presentations which are available on the NAPSAR Website.

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

Evaluator Notes:

Upon review of incident/accident procedures and records it seems that the ORS is generally in compliance with Part E of this evaluation.

Total points scored for this section: 8  
Total possible points for this section: 8



## 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:

The ORS utilizes PHMSA's inspection forms which cover directional/boring procedures of pipeline operators. Reviewed records to verify the completion and review of the procedures.

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

ORS uses the PHMSA Standard Inspection form, which includes damage prevention procedures and requirements of 192.614. Records were reviewed for completion of damage prevention procedures.

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

ORS staff regularly attends UCC monthly meetings and the UCC Annual Conference. The state also promotes Dig Safe Month every year.

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

The ORS has collected this information that is submitted on operator annual reports. The information is transferred into a spreadsheet with data for each operator. The information is reviewed for increases or decreases. The data was reviewed during the evaluation and seems that the trend is decreasing every year.

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

Evaluator Notes:

Upon review of damage prevention records and data it seems that the ORS is generally in compliance with Part F of this evaluation.

Total points scored for this section: 8  
Total possible points for this section: 8



## PART G - Field Inspections

Points(MAX) Score

- 1 Operator, Inspector, Location, Date and PHMSA Representative Info Only Info Only  
Info Only = No Points

Name of Operator Inspected:  
South Carolina Electric and Gas (SCE&G)

Name of State Inspector(s) Observed:  
Johnny Eustace and John Iglesias

Location of Inspection:  
Aiken, SC

Date of Inspection:  
October 21, 2015

Name of PHMSA Representative:  
Jim Anderson and Agustin Lopez

### Evaluator Notes:

Johnny Eustace and John Iglesias conducted an inspection of SCE&G Cathodic Protection system in Aiken, SC. Johnny was the lead inspector. They performed a pre inspection which included review of previous inspections and non compliance history. They reviewed CP procedures, records and performed a field inspection which included taking pipe-to-soil readings at several locations throughout the cp systems. After completing the inspection, an exit briefing was conducted to discuss any issues identified during the inspection. The exit briefing was with the Area Manager (David Wright), Engineering Supervisor (Sherald Rodgers) and the technician.

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

### Evaluator Notes:

Yes, the operator's representative was present at the inspection. Mr. Sherald Rodgers is notified of all SCE&G inspections.

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

### Evaluator Notes:

Yes, the ORS inspectors were utilizing a form developed by the ORS to use during CP inspections. The form was used by the inspectors as a guide to perform the inspection.

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

### Evaluator Notes:

Yes, the ORS inspectors documented their inspection results in the CP form.

- 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, the ORS inspectors observed the cp technician use the necessary equipment to take pipe-to-soil readings.

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

Evaluator Notes:

The ORS inspectors reviewed the operators CP procedures, OQ records, cp records and performed a field inspection of the operators cp systems.

- |   |                                                                                                                                                                                     |   |   |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| 7 | Did the inspector have adequate knowledge of the pipeline safety program and regulations? (Evaluator will document reasons if unacceptable)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

Evaluator Notes:

Yes, the ORS inspectors had knowledge of the pipeline safety program and regulations. They interacted very well with the operator in regards to the regulations and general pipeline discussions.

- |   |                                                                                                                                                                                       |   |   |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| 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)<br>Yes = 1 No = 0 | 1 | 1 |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

Evaluator Notes:

Yes, the ORS inspectors conducted an exit interview with the Area Manager and Engineering Supervisor to summarize the inspection and discuss any issues identified.

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

Evaluator Notes:

Yes, the ORS inspectors notified the operator of not documenting the yearly pipe-to-soil readings correctly. The operator records did not document the readings as a negative number which was a concern. The field inspection portion and interview of the cp technician proved that the readings are negative but are not documented correctly. This is due in part to the program being utilized for record retention not allowing the input of any symbols into the form fields. The ORS informed the operator that a non-compliance letter would be sent out due to this issue.

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

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

- |    |                                   |                                     |
|----|-----------------------------------|-------------------------------------|
| w. | Plastic Pipe Installation         | <input type="checkbox"/>            |
| x. | Public Education                  | <input type="checkbox"/>            |
| y. | Purging                           | <input type="checkbox"/>            |
| z. | Prevention of Accidental Ignition | <input type="checkbox"/>            |
| A. | Repairs                           | <input type="checkbox"/>            |
| B. | Signs                             | <input type="checkbox"/>            |
| C. | Tapping                           | <input type="checkbox"/>            |
| D. | Valve Maintenance                 | <input checked="" 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 checked="" type="checkbox"/> |
| J. | Other                             | <input type="checkbox"/>            |

Evaluator Notes:

The ORS inspectors were very observant during the field inspection. They documented the pipe-to-soil readings and looked for signs, pipeline markers, abnormal conditions and atmospheric corrosion on the facilities visited.

---

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



**PART H - Interstate Agent 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:

The ORS is not an Interstate Agent.

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

Evaluator Notes:

The ORS is not an Interstate Agent.

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

Evaluator Notes:

The ORS is not an Interstate Agent.

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

Evaluator Notes:

The ORS is not an Interstate Agent.

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

Evaluator Notes:

The ORS is not an Interstate Agent.

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

The ORS is not an Interstate Agent.

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

Evaluator Notes:

The ORS is not an Interstate Agent.

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

Evaluator Notes:

The ORS is not an Interstate Agent.

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

**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:

The ORS does not have a 60106(a) agreement with PHMSA.

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

The ORS does not have a 60106(a) agreement with PHMSA.

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

The ORS does not have a 60106(a) agreement with PHMSA.

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

The ORS does not have a 60106(a) agreement with PHMSA.

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

The ORS does not have a 60106(a) agreement with PHMSA.

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

The ORS does not have a 60106(a) agreement with PHMSA.

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

Evaluator Notes:

The ORS does not have a 60106(a) agreement with PHMSA.

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