



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

Tennessee Regulatory Authority

## 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:** Tennessee

**Agency Status:**

**Date of Visit:** 05/18/2015 - 05/22/2015

**Agency Representative:** Annette Ponds, Chief Gas Pipeline Safety

**PHMSA Representative:** Rex Evans

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

**Name/Title:** Mr. Herbert H. Hilliard, Chairman

**Agency:** Tennessee Regulatory Authority

**Address:** 502 Deadrick Street, 4th Floor

**City/State/Zip:** Nashville, TN 37243

**Rating:**

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

## INSTRUCTIONS:

Complete this evaluation in accordance with the Procedures for Evaluating State Pipeline Safety Program. The evaluation should generally reflect state program performance during CY 2014 (not the status of performance at the time of the evaluation). All items for which criteria have not been established should be answered based on the PHMSA representative's judgment. A deficiency in any one part of a multiple part question should be scored as needs improvement. Determine the answer to the question then select the appropriate point value. If a state receives less than the maximum points, include a brief explanation in the space provided for general comments/regional observations. If a question is not applicable to a state, select NA. Please ensure all responses are COMPLETE and ACCURATE, and OBJECTIVELY reflect state program performance. Increasing emphasis is being placed on performance. This evaluation together with selected factors reported in the state's annual progress report attachments provide the basis for determining the state's pipeline safety grant allocation.

## Field Inspection (PART G):

The field inspection form used will allow different areas of emphasis to be considered for each question. Question 13 is provided for scoring field observation areas. In completing PART G, the PHMSA representative should include a written summary which thoroughly documents the inspection.

## Scoring Summary

### PARTS

### Possible Points Points Scored

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

10	9
13	9.5
46	38
15	11
11	8.5
8	8
11	11
0	0
0	0

### TOTALS

**114 95**

### State Rating

**83.3**

## 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:

The information on Attachment 1 appears correct.

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

Evaluator Notes:

Total inspection days were compared to the employee daily log provided and all appear correct. Discussed "In-house" review days that are counted and are not typical "field" days, but have allowed as follow-up to compliance issues.

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

Operator listing was compared to PDM, all appear to be accounted for PDM shows some Master Meter operators no longer in existence.

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

The incidents listed were correct and compared to PDM

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

Evaluator Notes:

Could not reconcile incidents carried over from previous period. In process of improving this to make sure future data is corrected.

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

Giving full points as all files were provided and appeared to be full accessible in electronic format.

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

Training info provided by TQ, no issues noted

- |   |   |   |   |
|---|---|---|---|
| 8 | Verification of Part 192,193,198,199 Rules and Amendments - Progress Report Attachment 8<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|---|---|---|

Evaluator Notes:

All information appears correct. Will also verify letter has been returned to Zach with confirmation of any adoption and law issues.

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

Evaluator Notes:  
no issues

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

Evaluator Notes:

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Total points scored for this section: 9  
Total possible points for this section: 10



## PART B - Program Inspection Procedures

Points(MAX) Score

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

Yes = 2 No = 0 Needs Improvement = 1

### Evaluator Notes:

General information is listed regarding elements of a standard inspection. Will need to address pre-inspection and post-inspection activities and revise procedures accordingly. Recommend looking at Guidelines Appendix with example.

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

Recommend review and make sure large operators have an annual update for both DIMP and IMP.

- |   |  |   |     |
|---|--|---|-----|
| 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 | 0.5 |
|---|--|---|-----|

Yes = 1 No = 0 Needs Improvement = .5

### Evaluator Notes:

Procedures should be updated to confirm how often OQ plan inspections are to be conducted. Procedures indicate the OQ inspections should be uploaded but have not been done since 2009, see question in Section C

- |   |   |   |     |
|---|---|---|-----|
| 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 | 0.5 |
|---|---|---|-----|

Yes = 1 No = 0 Needs Improvement = .5

### Evaluator Notes:

This is not addressed in procedures and should be added. If the review is done during a standard inspection then that should be stated in procedures and process outlined about things to look for during a standard inspection.

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

Yes = 1 No = 0 Needs Improvement = .5

### Evaluator Notes:

Operator training is briefly noted in inspection frequency section and to be performed on an as needed basis.

- |   |  |   |     |
|---|--|---|-----|
| 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 | 0.5 |
|---|--|---|-----|

Yes = 1 No = 0 Needs Improvement = .5

### Evaluator Notes:

Procedures state "certain" construction inspections are reported to the program and will be performed as needed. Seems to be a gap in all other construction inspections and how often and when those should be conducted and need to reach out to operator to determine those other things going on with new and replacement construction. Improvement needed.

- |   |   |   |   |
|---|---|---|---|
| 7 | Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements? | 6 | 4 |
|---|---|---|---|

Yes = 6 No = 0 Needs Improvement = 1-5

- |    |   |                                      |                          |  |
|----|---|--------------------------------------|--------------------------|--|
| a. | Length of time since last inspection (Within five year interval)  | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/>            |
| b. | Operating history of operator/unit and/or location (includes leakage, incident and compliance activities)   | Yes <input type="radio"/>            | No <input type="radio"/> | Needs Improvement <input checked="" type="radio"/> |
| c. | Type of activity being undertaken by operators (i.e. construction)  | Yes <input type="radio"/>            | No <input type="radio"/> | Needs Improvement <input checked="" type="radio"/> |
| d. | Locations of operators inspection units being inspected - (HCA's, Geographic areas, Population Density, etc)  | Yes <input type="radio"/>            | No <input type="radio"/> | Needs Improvement <input checked="" 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 type="radio"/>            | No <input type="radio"/> | Needs Improvement <input checked="" 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:

Procedures provide little or no detail on plan addressing inspection priority. Procedures should outline process used and what is done for each operator to determine whether more frequent inspection are completed or the priority.

**8** General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

Program should enhance all procedures and include revision dates on procedures. Procedures should also point to greater detail including what forms are to be used during an inspection. Also discussed need to detail Pre-Inspection, Inspection and Post-Inspection activities. (Pre inspection should include PDM review and file reviews)

Total points scored for this section: 9.5  
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):  
523.00

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):  
220 X 5.08 = 1118.33

Ratio: A / B  
523.00 / 1118.33 = 0.47

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

Evaluator Notes:

Person-days were 523 and ratio was .47. Full points.

- 2 Has each inspector and program manager fulfilled the T Q Training Requirements? (See Guidelines Appendix C for requirements) Chapter 4.4 5 4  
Yes = 5 No = 0 Needs Improvement = 1-4

- |    |  |                                      |                                     |   |
|----|--|--------------------------------------|-------------------------------------|---|
| a. | Completion of Required OQ Training before conducting inspection as lead?   | Yes <input type="radio"/>            | No <input checked="" 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:

Through review, Pete Hut, Shinisha Freeman does not appear to have taken OQ WBT for qualifications and conducted inspections. Point loss, recommend thorough review of course curriculums, especially with a large group of new inspectors. Tom Woosley was the IMP inspector, now Pete Hut has been designated person. Need to review IMP curriculum to ensure all his courses complete, also suggest having new employees get through WBT's during initial training phase.

- 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:

Enough knowledge, needs to review guidelines. Working on program improvements and large numbers of new staff will present challenges.

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

Evaluator Notes:

Letter send July 29, 2014, response August 11, 2014. Issues in letter dealt with civil penalties and one call, nothing for program changes.

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

Evaluator Notes:

November 18-20, 2014

- 6 Did state inspect all types of operators and inspection units in accordance with time intervals established in written procedures? Chapter 5.1 5 3

Yes = 5 No = 0 Needs Improvement = 1-4

Evaluator Notes:

Full and complete Standard inspections were conducted in many instances between 3-5 years. In the case of Somerville it was last done in 2009 and gaps on others had greater than a five year interval. Giving two points only due to fact many of these inspections were caught up in past year and look for future improvement in this area. Although locations were visited, the full standard inspections were not completed in their entirety.

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

Evaluator Notes:

All forms were filled out completely and appear to have taken care of code requirements. Some of inspections were used with current form, some such as Memphis were done using old form. in process of updating

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

Evaluator Notes:

these NSTB questions appear on the latest inspection form used. Giving full points as forms are now updated.

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

Evaluator Notes:

these NSTB questions appear on the latest inspection form used. Giving full points as forms are now updated.

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

Evaluator Notes:

these NSTB questions appear on the latest inspection form used. Giving full points as forms are now updated.

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

Evaluator Notes:

This question is typically covered under question asked in 192.617, but needs to clarify in the inspection form.

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

Evaluator Notes:

Needs improvement - while it's quite possible this is reviewed with operator, there is no apparent program plan to do this on a regular basis. The trend of unaccounted for gas as an example does not appear to be thoroughly reviewed for trends although the figure itself may have been written down. No data for 2014 was entered on the risk model. Referred to Pipeline Data Mart to get this information going forward.

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

Evaluator Notes:

No OQ uploads since 2009. It appears the IMP inspections done have been uploaded.

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

Evaluator Notes:

This is covered on Transmission checklist

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

Evaluator Notes:

This was covered on an old form used, but does not appear to be covered on many of the inspections conducted in CY2014. Improvement is needed. Suggested evaluated entire DA program and enlist help of Stan Kastanas if necessary. Should be looking at DA inspection forms and make sure operators are in compliance.

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

Evaluator Notes:

needs improvement. they are doing various checks to see if individuals are qualified during inspections but full program reviews have not been completed and need to be updated. Plus inspectors need OQ training as previously identified.

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

Evaluator Notes:

Improvement needed, there are 18 intrastate transmission operators. It doesn't appear that at least protocol A has been completed on all, nor plan for full program reviews. Need to review entire IMP program, should also have process to review monitoring progress and remedial actions and updates to plan.

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

Evaluator Notes:

At the moment DIMP process appears to date. Need to make sure monitoring progress is reviewed during standard inspections and keep on top of this issue.

- 19 Is state verifying operators Public Awareness programs are up to date and being followed. State should also verify operators have evaluated Public Awareness programs for effectiveness as described in RP1162. 49 CFR 192.616 (I13-16) PAPEI Effectiveness Inspections should have been completed by December 2013 2 2  
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

It appears all PAP inspections were done. Suggest making sure effectiveness inspections are updated when next due to ensure program continues.

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

Evaluator Notes:

Website appears to have links necessary for this question.

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

Evaluator Notes:

Only one reported from Piedmont. No issues.

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

Evaluator Notes:

Will be part of DIMP no issues

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

Evaluator Notes:

No issues

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- |           |  |   |   |
|-----------|--|---|---|
| <b>24</b> | If the State has issued any waivers/special permits for any operator, has the state verified conditions of those waivers/special permits are being met? This should include having the operator amend procedures where appropriate.(New Question for CY2013, no points until CY2015 evaluation conducted in CY2016)<br>Info Only = No Points | 0 | 0 |
|-----------|--|---|---|

Evaluator Notes:

Briefly discussed - no issues

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

Evaluator Notes:

Yes

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

Discussed metrics

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

Evaluator Notes:

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Total points scored for this section: 38  
Total possible points for this section: 46



## 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                         | 2   |
| a. Procedures to notify an operator (company officer) when a noncompliance is identified         |  | Yes <input type="radio"/> | No <input checked="" type="radio"/> Needs Improvement <input type="radio"/> |
| b. Procedures to routinely review progress of compliance actions to prevent delays or breakdowns |  | Yes <input type="radio"/> | No <input type="radio"/> Needs Improvement <input checked="" type="radio"/> |

**Evaluator Notes:**

There is nothing in procedures regarding company officer notification. Improvement needed in procedures to review compliance activities and tracking in order to ensure timely follow-up. Procedures should include "Post" review and set clear actions on when compliances will be followed up by program personnel to make sure issues are closed in a timely manner. Procedure should define expected follow up dates. Other general procedures are present.

- |  |  |                                      |   |
|--|--|--------------------------------------|---|
| <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                                    | 2   |
| a. Were compliance actions sent to company officer or manager/board member if municipal/government system? |  | Yes <input type="radio"/>            | No <input type="radio"/> Needs Improvement <input checked="" type="radio"/> |
| b. 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 type="radio"/>            | No <input type="radio"/> Needs Improvement <input checked="" type="radio"/> |
| d. Was the progress of probable violations routinely reviewed?   |  | Yes <input type="radio"/>            | No <input type="radio"/> Needs Improvement <input checked="" type="radio"/> |

**Evaluator Notes:**

Most compliance actions were not sent to company office or manager/board member of muni. This needs to be corrected. Probable violations appear to be documented on inspection reports, but resolution and progress for this and prior periods have been drawn out and compliance closure needs improvement. It appears effort being made to get caught up, but further work needed to complete.

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

it appears operators were notified of all violations discovered, follow-up is the main issue

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

No issues - suggest compliance notifications outline possible civil penalties.

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

**Evaluator Notes:**

Yes

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

**Evaluator Notes:**

Fines have been issued

7 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

Just general work on catching up should be continued, but it appears program is heading in right direction to make sure issues are addressed and bringing issues up to date.

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Total points scored for this section: 11  
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:

Brief procedures are present. Suggest review for enhancement

- 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:

There does not appear to be issues with receiving reports and records of those reports received.

- 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 0.5

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

One of the two incidents in CY2014 was at AGL in Chattanooga. No on sight visit was made and no report in file no information was gathering around time of incident and the process was not followed through although information was gathered later. Employee assigned to AGL incident did not follow through and employee is no longer with TRA.

- 4 Were all incidents investigated, thoroughly documented, and with conclusions and recommendations? 3 1

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:

As noted in previous question. AGL incident 3/12/14 was not investigated, although one for Memphis was. Memphis incident still pending and observed in preliminary report that code sections were noted as violations but work needed on to tying violations to how the operator specifically violated items in question. Did not see any recommendations to prevent recurrence on either incident.

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

Yes = 1 No = 0

Evaluator Notes:

Memphis Gas Light has compliance actions pending - so full points for this evaluation. Will need to review this incident during next program evaluation.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

No issues

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

Evaluator Notes:

No issues

- 8 General Comments:

Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

Total points scored for this section: 8.5  
Total possible points for this section: 11



## PART F - Damage Prevention

Points(MAX) Score

- |   |  |   |   |
|---|--|---|---|
| 1 | Has the state reviewed directional drilling/boring procedures of each pipeline operator or its contractor to determine if they include actions to protect their facilities from the dangers posed by drilling and other trench less technologies? NTSB<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

Giving full points - remind need to verify this is covered on inspection forms.

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

Part of Standard, brief review. No issues at present.

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

No issues

- |   |  |   |   |
|---|--|---|---|
| 4 | Has the agency or another organization within the state collected data and evaluated trends on the number of pipeline damages per 1,000 locate requests? (This can include DIRT and other data shared and reviewed by the pipeline safety program)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

Part of annual report now, will need to include trends with data review in Section C and can be gleaned from Pipeline Data Mart.

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

Evaluator Notes:

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

## PART G - Field Inspections

Points(MAX) Score

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

Name of Operator Inspected:

Fayetteville Public Utilities, Randall Griner - Gas Dept Operations Supervisor

Name of State Inspector(s) Observed:

Shanisha Freeman - lead, Travis Aslinger (new), Tim (new)

Location of Inspection:

Fayetteville, TN

Date of Inspection:

May 20-21, 2015

Name of PHMSA Representative:

Rex Evans

Evaluator Notes:

Standard inspection of operator - Last standard CY2013

- 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:

Randall Griner, Gas Dept Supervisor present

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

Evaluator Notes:

Standard Forms - a modified PHMSA form 2 is used. Plus field forms documenting field results.

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

Evaluator Notes:

All three inspectors were documenting results. no issues

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

Evaluator Notes:

Yes - Fayetteville had CGI, Half-cell and volt meter, tools to turn valves. no issues

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

a. Procedures ☒

b. Records ☒

c. Field Activities ☒

d. Other (please comment) ☐

Evaluator Notes:

This gas system of 6000+ customers appeared to be adequately reviewed

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Although two inspectors were new, and lead inspector Shanisha Freeman had two years of experience she appeared to have adequate knowledge of the program and regulations. Recommended focusing on jurisdictional issues

- |          |   |   |   |
|----------|---|---|---|
| <b>8</b> | Did the inspector conduct an exit interview? (If inspection is not totally complete the interview should be based on areas covered during time of field evaluation)<br>Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

Evaluator Notes:

Items were reviewed appropriately during time frame. the audit of operator was not completely finished during time allowed. No issues.

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

Evaluator Notes:

- |           |   |           |           |
|-----------|---|-----------|-----------|
| <b>10</b> | General Comments: 1) What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) 2) Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) 3) Other.<br>Info Only = No Points | Info Only | Info Only |
|-----------|---|-----------|-----------|

- |    |                                   |                                     |
|----|-----------------------------------|-------------------------------------|
| a. | Abandonment                       | <input type="checkbox"/>            |
| b. | Abnormal Operations               | <input type="checkbox"/>            |
| c. | Break-Out Tanks                   | <input type="checkbox"/>            |
| d. | Compressor or Pump Stations       | <input type="checkbox"/>            |
| e. | Change in Class Location          | <input type="checkbox"/>            |
| f. | Casings                           | <input checked="" 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 checked="" type="checkbox"/> |
| v. | Overpressure Safety Devices       | <input checked="" 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 type="checkbox"/> |
| J. | Other                       | <input type="checkbox"/> |

Evaluator Notes:

Completed a general field audit, day one focused on record review and day two was spent in field doing compliance verifications. Thorough job was done.

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Total points scored for this section: 11  
Total possible points for this section: 11



**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:

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

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

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

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

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

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

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

Evaluator Notes:

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

**PART I - 60106 Agreement State (If Applicable)****Points(MAX)    Score**

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

Evaluator Notes:

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

Evaluator Notes:

- |          |  |   |    |
|----------|--|---|----|
| <b>3</b> | Were any probable violations identified by state referred to PHMSA for compliance?<br>(NOTE: PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation.)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

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

Evaluator Notes:

- |          |  |   |    |
|----------|--|---|----|
| <b>5</b> | Did the state give written notice to PHMSA within 60 days of all probable violations found?<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

Section Not Applicable

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