



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

1200 New Jersey Avenue SE
Washington DC 20590

2010 Natural Gas State Program Evaluation

for

ARKANSAS OIL AND GAS COMMISSION

Document Legend

PART:

- O -- Representative Date and Title Information
- A -- General Program Qualifications
- B -- Inspections and Compliance - Procedures/Records/Performance
- C -- Interstate Agent States
- D -- Incident Investigations
- E -- Damage Prevention Initiatives
- F -- Field Inspection
- G -- PHMSA Initiatives - Strategic Plan
- H -- Miscellaneous
- I -- Program Initiatives



2010 Natural Gas State Program Evaluation -- CY 2010
Natural Gas

State Agency: Arkansas

Agency Status:

Date of Visit: 06/06/2011 - 06/11/2011

Agency Representative: Gary Looney, Assistant Director

PHMSA Representative: Patrick Gaume

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

Name/Title: Chad White, Chairman

Agency: Arkansas Oil and Gas Commission

Address: PO Box 634

City/State/Zip: Magnolia, Arkansas 71754

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 2010 (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 certification/agreement attachments provide the basis for determining the state's pipeline safety grant allocation.

Field Inspection (PART F):

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 F, the PHMSA representative should include a written summary which thoroughly documents the inspection.

Scoring Summary

PARTS

Possible Points Points Scored

A General Program Qualifications
B Inspections and Compliance - Procedures/Records/Performance
C Interstate Agent States
D Incident Investigations
E Damage Prevention Initiatives
F Field Inspection
G PHMSA Initiatives - Strategic Plan
H Miscellaneous
I Program Initiatives

24
22
0
0.5
7
12
4.5
3
3.5

24
22
0
0.5
7
12
4.5
3
3.5

TOTALS

76.5 76.5

State Rating

100.0

PART A - General Program Qualifications

Points(MAX) Score

- | | | | |
|----------|--|-------------------------------------|---|
| 1 | Did the state submit complete and accurate information on the attachments to its most current 60105(a) Certification/60106 (a) Agreement? (NOTE: PHMSA Representative to verify certification/agreement attachments by reviewing appropriate state documentation. Score a deficiency in any one area as "needs improvement". Attachment numbers appear in parenthesis) Previous Question A.1, Items a-h worth 1 point each
Yes = 8 No = 0 Needs Minor Improvement = 3-7 Needs Major Improvement = 2 | 8 | 8 |
| a. | State Jurisdiction and agent status over gas facilities (1) | <input checked="" type="checkbox"/> | |
| b. | Total state inspection activity (2) | <input checked="" type="checkbox"/> | |
| c. | Gas facilities subject to state safety jurisdiction (3) | <input checked="" type="checkbox"/> | |
| d. | Gas pipeline incidents (4) | <input checked="" type="checkbox"/> | |
| e. | State compliance actions (5) | <input checked="" type="checkbox"/> | |
| f. | State record maintenance and reporting (6) | <input checked="" type="checkbox"/> | |
| g. | State employees directly involved in the gas pipeline safety program (7) | <input checked="" type="checkbox"/> | |
| h. | State compliance with Federal requirements (8) | <input checked="" type="checkbox"/> | |

SLR Notes:

A.1. Yes, 8 of 8 pts. See Pipeline Safety 2010 Natural Gas Certification for AOGC. Also see Arkansas Code Annotated (ACA) 15-71-110. Parts b.-h. were correct.

There was a question concerning Part a (Attachment 1): - Question? None of the codes; A, B, or F, really fit. Which code is the best fit? You used Code A for the 2010 Attachment 1. While reviewing Attachment 1 we discussed that none of the codes; A, B, or F, really fit given your dual partner status with APSC. For next year please report 'Distribution' as 'Yes, 60105' with 0 Units, because, (per attachment 8), you do have regulatory authority in the event that a Production Company installed and operated a gas distribution system. For 'Transmission- Intrastate' please use 'Yes, 60105'; for 'Transmission- Interstate & Interstate LNG' please use 'No, code F'; and for 'Other' please report as currently reported.

- | | | | |
|----------|---|---|---|
| 2 | Did the state have an adequate mechanism to receive operator reporting of incidents to ensure state compliance with 60105(a) Certification/60106(a) Agreement requirements (fatality, injury requiring hospitalization, property damage exceeding \$50,000 - Mechanism should include receiving "after hours" reports)? (Chapter 6) Previous Question A.2
Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

A.2. Yes. The regulations are created and the internal program is in place. There were no reportable incidents in 2010. Operators are told often of their responsibility to report incidents.

- | | | | |
|----------|---|---|---|
| 3 | Has the state held a pipeline safety TQ seminar(s) in the last 3 years? (NOTE: Indicate date of last seminar or if state requested seminar, but T&Q could not provide, indicate date of state request for seminar. Seminars must be held at least once every 3 calendar years.) (Chapter 8.5) Previous Question A.4
Yes = 2 No = 0 | 2 | 2 |
|----------|---|---|---|

SLR Notes:

A.3. Yes, the seminar was co-sponsored with AR PSC and was held August 10-11, 2010 in North Little Rock, AR. TQ personnel were there and made presentations.

- | | | | |
|----------|--|---|---|
| 4 | Were pipeline safety program files well-organized and accessible?(NOTE: This also includes electronic files) (Chapter 5) Previous Question A.5
Yes = 1 No = 0 | 1 | 1 |
|----------|--|---|---|

SLR Notes:

A.4. Yes. The entire file set fits within a couple of file boxes plus most files are on the server. The server copies will soon become the official files.

- | | | | |
|----------|---|---|---|
| 5 | Did state records and discussions with the state pipeline safety program manager indicate adequate knowledge of PHMSA program and regulations? (Chapter 4.1, Chapter 8.1) Previous Question A.6
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

SLR Notes:

A.5. Yes, the AOGC is a mature state agency and Mr. Looney is effective and well trained.

- | | | | |
|----------|---|---|---|
| 6 | Did the state respond in writing within 60 days to the requested items in the Chairman's letter following the Region's last program evaluation? (No response is necessary if no items are requested in letter and mark "Yes") (Chapter 8.1) Previous Question A.8
Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

A.6. Yes, the response is dated 2/24/2011, and the Chairman letter was dated 1/4/2011.

7	What actions, if necessary, did the State initiate as a result of issues raised in the Chairperson's letter from the previous year? Did actions correct or address deficiencies from previous year's evaluation? (No response is necessary if no items are requested in letter and mark "Yes") (Chapter 8.1) Previous Question A.8/A.9 Yes = 1 No = 0	1	1
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SLR Notes:

A.7. Yes, all 5 issues were addressed: Mr Looney is a level II qualified inspector; The Minimum Staffing Formula has been addressed and adjusted; Minimum inspector Person Days is related to the Minimum Staffing Formula and is an item of continuing discussion; AOGC response letters are targeted for the 60 day response window; the Root Cause Analysis Class is wait-listed; Risk ranking of the 7 Units of AOGC's program is being addressed; D&A inspections have been started.

Personnel and Qualifications

8	Has each inspector fulfilled the 3 year TQ training requirement? If No, has the state been granted a waiver regarding TQ courses by the Associate Administrator for Pipeline Safety? (NOTE: If the State has new inspectors who have not attended all TQ courses, but are in a program which will achieve the completion of all applicable courses within 3 years of taking first course (5 years to successfully complete), or if a waiver has been granted by the applicable Region Director for the state, please answer yes.) (Chapter 4.4) Previous Question A.10 Yes = 3 No = 0	3	3
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SLR Notes:

A.8. Yes, the courses have either been taken or on the wait-list. Need to enter PL2284 (3/19/2010) the course, & (1/20/2011) a refresher, onto Attachment 7, and need to take PL31C.

9	Brief Description of Non-TQ training Activities: Info Only = No Points For State Personnel: State personnel: AOGC personnel participated in the LA Pipeline Safety Seminar and the AR Pipeline Safety Seminar during 2010. For Operators: Operators: none For Non-Operator Entities/Parties, Information Dissemination, Public Meetings: Non-operators: none.	Info Only	Info Only
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SLR Notes:

A.9. Some.
State personnel: AOGC personnel participated in the LA Pipeline Safety Seminar and the AR Pipeline Safety Seminar during 2010.
Operators: none
Non-operators: none.

10	Did the lead inspectors complete all required T&Q OQ courses and Computer Based Training (CBT) before conducting OQ Inspections? (Chapter 4.4.1) Previous Question A.12 Yes = 1 No = 0	1	NA
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SLR Notes:

A.10. NA, OQ courses are not completed yet. OQ is not required of Gathering Lines.

11	Did the lead inspectors complete all required TQ Integrity Management (IMP) Courses/Seminars and CBT before conducting IMP Inspections? (Chapter 4.4.1) Previous Question A.13 Yes = 1 No = 0	1	NA
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SLR Notes:

A.11. NA, NO plans to do IMP inspections but they are likely finding Transmission lines which will require training in OQ and IMP.

12	Was the ratio acceptable of Total inspection Person-days to Total Person-days charged to the program by state inspectors? (Region Director may modify points for just cause) (Chapter 4.3) Previous Question B.12 Yes = 5 No = 0 A. Total Inspection Person Days (Attachment 2): 32.00 B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7): 220 X 0.20 = 44.00 Ratio: A / B 32.00 / 44.00 = 0.73	5	5
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If Ratio ≥ 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0
Points = 5

SLR Notes:

A.12. Yes. 32 inspection days & 44 inspector days charged to the program is 0.727 & is $> .38$.

13 Have there been modifications or proposed changes to inspector-staffing levels? (If yes, describe) Previous Info Only Info Only
Question B.13
Info Only = No Points

SLR Notes:

A.13. Yes. The second inspector resigned. She has not been replaced. A replacement may be authorized after July, 2011.

14 Part-A General Comments/Regional Observations Info Only Info Only
Info Only = No Points

SLR Notes:

A.14. This evaluation addresses 2010, which was the third year of the program partnership. TQ Training would be finished except the requirements continue to grow, and the Program Manual is finished.

Total points scored for this section: 24
Total possible points for this section: 24



PART B - Inspections and Compliance - Procedures/Records/ Performance

Points(MAX) Score

Inspection Procedures

- 1** Does the State have a written inspection plan to complete the following? (all types of operators including LNG) (Chapter 5.1) Previous Question B.1 + Chapter 5 Changes + Incorporate LNG 6.5 6.5
Yes = 6.5 No = 0 Needs Improvement = 50% Deduction
- | | | | | |
|---|---|--------------------------------------|--------------------------|---|
| a | Standard Inspections (Including LNG) (Max points = 2) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b | IMP Inspections (Including DIMP) (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c | OQ Inspections (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d | Damage Prevention (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| e | On-Site Operator Training (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| f | Construction Inspections (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| g | Incident/Accident Investigations (Max points = 1) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| h | Compliance Follow-up (Max points = 1) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

SLR Notes:

B.1. a. yes, b. NA, c. NA, d. yes is part of the Standard Inspection, e. Yes, f. yes, g. yes, h. yes.

- 2** Did the written Procedures for selecting operators adequately address key concerns? (Chapter 5.1) Previous Question B.2, items a-d are worth .5 point each 2 2
Yes = 2 No = 0 Needs Improvement = 50% Deduction
- | | | | | |
|---|--|--------------------------------------|--------------------------|---|
| a | Length of time since last inspection | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b | History of Operator/unit and/or location (including leakage , incident and compliance history) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c | Type of activity being undertaken by operator (construction etc) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d | For large operators, rotation of locations inspected | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

SLR Notes:

B.2. Yes for A, B, C, & D.

Inspection Performance

- 3** Did the state inspect all types of operators and inspection units in accordance with time intervals established in its written procedures? (Chapter 5.1) Previous Question B.3 2 2
Yes = 2 No = 0

SLR Notes:

B.3. Yes, Every Operator that has been found to have regulated pipe was inspected in 2009. Most operators had follow up Field inspections in 2010.

- 4** Did the state inspection form cover all applicable code requirements addressed on the Federal Inspection forms? (Chapter 5.1 (3)) Previous Question B.4 1 1
Yes = 1 No = 0

SLR Notes:

B.4. Yes, use the Fed Forms.

- 5** Did state complete all applicable portions of inspection forms? (Chapter 5.1 (3)) Previous Question B.5 1 1
Yes = 1 No = 0

SLR Notes:

yes.

- 6** Did the state initiate appropriate follow-up actions to Safety Related Condition Reports? (Chapter 6.3) Previous Question B.6 .5 NA
Yes = .5 No = 0

SLR Notes:

B.6. NA, none.

7	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) Previous Question B.7 Yes = .5 No = 0	.5	NA
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SLR Notes:

B.7. NA, no cast iron pipe

8	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) Previous Question B.8 Yes = .5 No = 0	.5	NA
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SLR Notes:

B.8. NA, no cast iron pipe

9	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) Previous Question B.9 Yes = .5 No = 0	.5	NA
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SLR Notes:

B.9. NA, no jurisdictional leaks in 2008-year to date 2011.

10	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? (NTSB) Previous Question B.10 Yes = 1 No = 0	1	NA
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SLR Notes:

B.10. NA, none, this is a new program, started in 2008.

Compliance - 60105(a) States

11	Did the state adequately document sufficient information on probable violations? (Chapter 5.2) Previous Question B.14 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

B.11. Yes, all inspections, documentations, letters, etc are in the Operator file for the Chesapeake Kenner 8-6 1 pipeline & the Desoto O&M inspection.

12	Does the state have written procedures to identify the steps to be taken from the discovery to the resolution of a probable violation as specified in the "Guidelines for State Participating in the Pipeline Safety Program"? (Chapter 5.1) Previous Question D(1).1 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

B.12. Yes. AOGC has statutes, rules and procedures. They send notices to the regulated entity's representative as reported on the AOGC Form 1 Organization Report and also to Corporate Officers per PHMSA Guidelines.

13	Does the state have written procedures to notify an operator when a noncompliance is identified as specified in the "Guidelines for States Participating in the Pipeline Safety Program"? (Chapter 5.1(4)) Previous Question D(1).2 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

B.13. Yes, AOGC has internal procedures and Commission rules. See AOGC Rule A-5, & also A-2 & A-3.

14	Does the state have a written procedure for routinely reviewing the progress of compliance actions to prevent delays or breakdowns of the enforcement process, as required by the "Guidelines for States Participating in the Pipeline Safety Program"? (Chapter 5.1(5)) Previous Question D(1).3 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

B.14. Yes, AOGC has internal procedures and Commission rules. See AOGC Rule A-5.

- 15 Has the State issued compliance actions for all probable violations discovered? (Note : PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation) Previous Question D(1).4 1 1
Yes = 1 No = 0

SLR Notes:

B.15. Yes, the inspection results and the notification letters are in agreement. All inspection Unsatisfactory findings are included in the notification letters.

- 16 Did the state follow its written procedures for reviewing compliance actions and follow-up to determine that prompt corrective actions were taken by operators, within the time frames established by the procedures and compliance correspondence, as required by the "Guidelines for States Participating in the Pipeline Safety Program"? Previous Question D(1).5 1 1
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.16. Yes, File review shows that AOGC has followed its own procedures and Commission rules. See AOGC Rule A-5, & also A-2 & A-3.

- 17 If compliance could not be established by other means, did state pipeline safety program staff request formal action, such as a "Show Cause Hearing" to correct pipeline safety violations? (check each states enforcement procedures) Previous Question D(1).6 1 1
No = 0 Yes = 1

SLR Notes:

B.17. Yes, Any penalty requires a Hearing. AOGC has not needed to demand a show cause hearing with an Operator relative to a jurisdictional pipeline. The procedures and program are in place. See AOGC Rules A-2 & A-3.

- 18 Did the state adequately document the resolution of probable violations? (Chapter 5.1 (6)) Previous Question D(1).7 1 1
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.18. Yes, in 2010 there were 31 PV that were mailed to the Operators; they were resolved by Operator response within the required time frames or are under continuing review. The Inspection record, Operator notification, and Operator response are all in the files.

- 19 Were compliance actions sent to a company officer? (manager or board member if municipal/government system) (Chapter 5.1(4)) Previous Question D(1).8 .5 .5
Yes = .5 No = 0

SLR Notes:

B.19. Yes, They send notices to the regulated entity's representative as reported on the AOGC Form 1 Organization Report and also to Corporate Officers per PHMSA Guidelines.

- 20 Did the compliance proceedings give reasonable due process to all parties? (check each states enforcement procedures) Previous Question D(1).9 1 1
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.20. Yes, Per AOGC Rule A-5, & also A-2 & A-3.

Compliance - 60106(a) States

- 21 Did the state use the current federal inspection form(s)? Previous Question D(2).1 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.21-26. NA, AOGC is a 60105(a) Partner.

- 22 Are results adequately documented demonstrating inspection units were reviewed in accordance with state inspection plan? Previous Question D(2).2 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.21-26. NA, AOGC is a 60105(a) Partner.

- 23 Were any probable violations identified by state referred to PHMSA for compliance? (NOTE: PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation.) Previous Question D(2).3 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.21-26. NA, AOGC is a 60105(a) Partner.

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|-----------|--|---|----|
| 24 | Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? Previous Question D(2).4
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|-----------|--|---|----|

SLR Notes:

B.21-26. NA, AOGC is a 60105(a) Partner.

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|-----------|---|---|----|
| 25 | Did the state give written notice to PHMSA within 60 days of all probable violations found? Previous Question D(2).5
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|-----------|---|---|----|

SLR Notes:

B.21-26. NA, AOGC is a 60105(a) Partner.

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|-----------|---|---|----|
| 26 | Did the state initially submit adequate documentation to support compliance action by PHMSA on probable violations? Previous Question D(2).6
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|-----------|---|---|----|

SLR Notes:

B.21-26. NA, AOGC is a 60105(a) Partner.

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|-----------|--|-----------|-----------|
| 27 | 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)
Info Only = No Points | Info Only | Info Only |
|-----------|--|-----------|-----------|

SLR Notes:

B.27. Yes. AOGC has a well established procedure for issuing fines, and issued a \$6000 fine in 2010.

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- | | | | |
|-----------|---|-----------|-----------|
| 28 | Part B: General Comments/Regional Observations
Info Only = No Points | Info Only | Info Only |
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SLR Notes:

B.28. The addition of Kelly Hert in 2010 was a positive note.

Total points scored for this section: 22
Total possible points for this section: 22



PART C - Interstate Agent States

Points(MAX) Score

1	Did the state use the current federal inspection form(s)? Previous Question D(3).1 Yes = 1 No = 0 Needs Improvement = .5	1	NA
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SLR Notes:

C.1-8. NA, AOGC is not an Interstate Agent Program.

2	Are results documented demonstrating inspection units were reviewed in accordance with "PHMSA directed inspection plan"? Previous Question D(3).2 Yes = 1 No = 0 Needs Improvement = .5	1	NA
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SLR Notes:

C.1-8. NA, AOGC is not an Interstate Agent Program.

3	Did the state submit documentation of the inspections within 60 days as stated in its latest Interstate Agent Agreement form? Previous Question D(3).3 Yes = 1 No = 0	1	NA
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SLR Notes:

C.1-8. NA, AOGC is not an Interstate Agent Program.

4	Were any probable violations identified by state referred to PHMSA for compliance? (NOTE: PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation.) Previous Question D(3).4 Yes = 1 No = 0	1	NA
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SLR Notes:

C.1-8. NA, AOGC is not an Interstate Agent Program.

5	Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? Previous Question D(3).5 Yes = 1 No = 0 Needs Improvement = .5	1	NA
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SLR Notes:

C.1-8. NA, AOGC is not an Interstate Agent Program.

6	Did the state give written notice to PHMSA within 60 days of all probable violations found? Previous Question D(3).6 Yes = 1 No = 0	1	NA
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SLR Notes:

C.1-8. NA, AOGC is not an Interstate Agent Program.

7	Did the state initially submit documentation to support compliance action by PHMSA on probable violations? Previous Question D(3).7 Yes = 1 No = 0 Needs Improvement = .5	1	NA
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SLR Notes:

C.1-8. NA, AOGC is not an Interstate Agent Program.

8	Part C: General Comments/Regional Observations Info Only = No Points	Info Only	Info Only
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SLR Notes:

C.1-8. NA, AOGC is not an Interstate Agent Program.

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

PART D - Incident Investigations

Points(MAX) Score

- 1** Are state personnel following the procedures for Federal/State cooperation in case of an incident? (See Appendix in "Guidelines for States Participating in the Pipeline Safety Program") (Chapter 6.1) Previous Question E.1 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

D.1. NA, new program since 2008 and no reportable incidents to date in June, 2011. ? discussed chapter 6.1 of State Guidelines, and there have been no incidents since AOGC became a State Partner.

- 2** Are state personnel familiar with the jurisdictional authority and Memorandum of Understanding between NTSB and PHMSA? (See Appendix in "Guidelines for States Participating in the Pipeline Safety Program") (Chapter 6 ? Appendix D) Previous Question E.2 .5 .5
Yes = .5 No = 0

SLR Notes:

D.2. Yes, Appendix D has been reviewed and understood.

- 3** Did the state keep adequate records of incident notifications received? Previous Question E.3 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

D.3. NA, none, new program.

- 4** If an onsite investigation of an incident was not made, did the state obtain sufficient information by other means to determine the facts and support the decision not to go on-site? Previous Question E.4 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

D.4. NA, none, plan to do on-site investigations.

- 5** Were investigations thorough and conclusions and recommendations documented in an acceptable manner? Previous Question E.5, comprehensive question worth 2 points total 2 NA
Yes = 2 No = 0 Needs Improvement = 1
- a. Observations and Document Review Yes ☐ No ☐ Needs Improvement ☐
- b. Contributing Factors Yes ☐ No ☐ Needs Improvement ☐
- c. Recommendations to prevent recurrences where appropriate Yes ☐ No ☐ Needs Improvement ☐

SLR Notes:

D.5. NA, none, they will use Fed Forms and follow Fed guidelines.

- 6** Did the state initiate enforcement action for violations found during any incident investigation(s)? Previous Question E.6 Variation 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

D.6. NA, none.

- 7** 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 annual report data from operators concerning incidents/accidents and investigate discrepancies) (Chapter 6) Previous Question E.7/E.8 .5 NA
Yes = .5 No = 0

SLR Notes:

D.7. NA, none.

- 8** Part D: General Comments/Regional Observations Info Only Info Only
Info Only = No Points

SLR Notes:

D8. NA, this is an established State Agency starting a new program. They have the resources necessary to perform incident investigations.

Total points scored for this section: 0.5
Total possible points for this section: 0.5



PART E - Damage Prevention Initiatives

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? Previous Question B.11
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|--|---|---|

SLR Notes:

E.1. Yes, and it is on the Standard Inspection addendum sheet

- | | | | |
|----------|--|---|---|
| 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? New 2008
Yes = 2 No = 0 | 2 | 2 |
|----------|--|---|---|

SLR Notes:

E.2. Yes, it is in the Std Insp Form, under Damage Prevention.

- | | | | |
|----------|---|---|---|
| 3 | Did the state encourage and promote the adoption of the Common Ground Alliance Best Practices document to its regulated companies as a means of reducing damages to all underground facilities? Previous Question A.7
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

SLR Notes:

E.3. Yes, AOGC has a One-Call link on its web site. It is addressed in the every 3rd year T&Q Seminars and AOGC will co-sponsor the seminars with APSC. It is reviewed during every Standard Inspection. In '08 AOGC has supported efforts to establish an Arkansas CGA Regional Partnership. Specifically AOGC has supported One-Call efforts by encouraging all E&P operators to become One-Call members. AOGC has made One-Call membership required for operators of any natural gas line (including flow-lines, gathering lines, and other) that is within any city limits. They also recognize that enforcement has not been effectively addressed.

- | | | | |
|----------|---|---|---|
| 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? New 2008
Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

E.4. Yes, ARKUPS, the pipe locating service of AR One-Call tracks the number of locates per damage.

- | | | | |
|----------|--|---|----|
| 5 | Did the state review operators' records of accidents and failures due to excavation damage to ensure causes of failure are addressed to minimize the possibility of recurrence as required by 192.617?
Yes = 2 No = 0 | 2 | NA |
|----------|--|---|----|

SLR Notes:

E.5. NA, there were no reportable incidents in 2008-8/2011. None of the 7 Operators have had any line hits due to excavation for their jurisdictional pipe. This question has been added onto the Std Insp addendum sheet effective 7/13/10.

- | | | | |
|----------|---|-----------|-----------|
| 6 | Part E: General Comments/Regional Observations
Info Only = No Points | Info Only | Info Only |
|----------|---|-----------|-----------|

SLR Notes:

E.6. AOGC supports Damage Prevention initiatives. They have nothing in place to evaluate one-call tickets and excavation hits, however there have been none on jurisdictional pipe to date. They also have no enforcement power over excavators concerning excavation damage.

Total points scored for this section: 7
Total possible points for this section: 7

PART F - Field Inspection

Points(MAX) Score

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

Name of Operator Inspected:

DeSoto Gathering Company LLC opid-32533 (is a subsidiary of SWN Midstream Company).

Name of State Inspector(s) Observed:

Gary Looney

Location of Inspection:

1000 SWN Dr, Conway, AR 72032

Date of Inspection:

6/7-8/2011

Name of PHMSA Representative:

Patrick Gaume

SLR Notes:

DeSoto Gathering Company LLC opid-32533 (is a subsidiary of SWN Midstream Company).

Gary Looney,

1000 SWN Dr, Conway, AR 72032

6/7-8/2011

Patrick Gaume

- 2 Was the operator or operator's representative notified and/or given the opportunity to be present during inspection? New 2008 1 1
Yes = 1 No = 0

SLR Notes:

F.2. Yes, They were notified and scheduled in advance, it was held at the Operator's office, & 11 Operator personnel participated in the inspection.

- 3 Did the inspector use an acceptable inspection form/checklist and was the form/checklist used as a guide for the inspection? (New regulations shall be incorporated) Previous Question F.2 2 2
Yes = 2 No = 0

SLR Notes:

F.3. Yes, it was a Compliance verification and Field Performance inspection and the Federal Gas Transmission Inspection Form, Form 1, rev 05/06/11 was used.

- 4 Did the inspector thoroughly document results of the inspection? Previous Question F.3 2 2
Yes = 2 No = 0

SLR Notes:

F.4. This inspection focused on information from pages 18 and 20-27 of the 27 page inspection form. The O&M inspection was performed in 2009. The portion covered was well documented on the inspection 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.) New 2008 1 1
Yes = 1 No = 0

SLR Notes:

F.5. Yes. Multi meter, half cell, keys, markers and signs.

- 6 What type of inspection(s) did the state inspector conduct during the field portion of the state evaluation? (i.e. Standard, Construction, IMP, etc) New 2008 Info Only Info Only
Info Only = No Points

SLR Notes:

F.6. Yes, a special Inspection for a type A gathering line, focusing on a field inspection and field operation records with some Compliance Order Verification. (Operational Records and Field Inspection per AOGC)

- 7 Did the inspector adequately review the following during the field portion of the state evaluation? (check all that apply on list) New 2008, comprehensive question worth 2 points total 2 2
Yes = 2 No = 0 Needs Improvement = 1

a. Procedures

☐

b. Records

☒

- c. Field Activities/Facilities ☒
- d. Other (Please Comment) ☐

SLR Notes:

F.7. Yes, Mr. Looney conducted an Operational Records and Field Inspection which included records, and Field inspections. (Procedures had been done in 2009)

- 8** Did the inspector have adequate knowledge of the pipeline safety program and regulations? (Liaison will document reasons if unacceptable) Previous Question F.8 2 2
Yes = 2 No = 0

SLR Notes:

F.8. Yes, his inspection was detailed and in accordance with the regulations, and his conduct was professional.

- 9** 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) Previous Question F.10 1 1
Yes = 1 No = 0

SLR Notes:

F.9. Yes.

- 10** During the exit interview, did the inspector identify probable violations found during the inspections? Previous Question F.11 1 1
Yes = 1 No = 0

SLR Notes:

F.10. Yes. Mr. Looney conducted; - no field violations, one field recommendation: a non-regulated portion of the line was noted to have a low CP reading and all agreed to investigate and correct the condition. Records issues:
The Pipeline Construction records lack some original permanent records; specifically concerning qualified welding procedures and welders qualified to those procedures. That the records show 100% successful NDT and that the hydro test was successful mostly mitigate the safety concerns. AOGC will likely require the Operator to document the records that are missing or non-recoverable.

- 11** What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) Info Only Info Only
Info Only = No Points

SLR Notes:

F.11. Yes, highway crossing markers, ROW markers, signs, markers, emergency call number, bolts & threads, atmospheric corrosion, valve operation, valve rating against MOP, locks and valve protection, weather protection on relief valves, relief valve identification, its pressure setting, & its frequency of inspection. pipe supports, valve identification, correlation of valves to valve inspection records, rectifier, test lead conditions and locations, vegetation along the ROW, road crossings, CP readings, Observed general condition of facilities.

- 12** Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) Info Only Info Only
Info Only = No Points

SLR Notes:

F.12. Discussions with the operator revealed a growing public intolerance to noise pollution; and the efforts necessary to minimize noise at compressor stations

- 13** Field Observation Areas Observed (check all that apply) Info Only Info Only
Info Only = No Points
- a. Abandonment ☐
 - b. Abnormal Operations ☐
 - c. Break-Out Tanks ☐
 - d. Compressor or Pump Stations ☐
 - e. Change in Class Location ☐
 - f. Casings ☐
 - g. Cathodic Protection ☒
 - h. Cast-iron Replacement ☐
 - i. Damage Prevention ☒
 - j. Deactivation ☐
 - k. Emergency Procedures ☐
 - l. Inspection of Right-of-Way ☒

m.	Line Markers	<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 checked="" 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 checked="" type="checkbox"/>
w.	Plastic Pipe Installation	<input checked="" type="checkbox"/>
x.	Public Education	<input type="checkbox"/>
y.	Purging	<input type="checkbox"/>
z.	Prevention of Accidental Ignition	<input type="checkbox"/>
A.	Repairs	<input type="checkbox"/>
B.	Signs	<input checked="" type="checkbox"/>
C.	Tapping	<input type="checkbox"/>
D.	Valve Maintenance	<input checked="" type="checkbox"/>
E.	Vault Maintenance	<input type="checkbox"/>
F.	Welding	<input checked="" type="checkbox"/>
G.	OQ - Operator Qualification	<input type="checkbox"/>
H.	Compliance Follow-up	<input checked="" type="checkbox"/>
I.	Atmospheric Corrosion	<input checked="" type="checkbox"/>
J.	Other	<input type="checkbox"/>

SLR Notes:

F.13. Yes, Field review included items g, i, l, m, q, v, x, B, D, F, H, & I.

14 Part F: General Comments/Regional Observations

Info Only Info Only

Info Only = No Points

SLR Notes:

F.14 On June 7-8, 2011, Mr. Gary Looney performed an Operational Records and Field Inspection of a Type A Gas Gathering Pipeline Operated by DeSoto Gathering Company LLC opid-32533 at Conway, AR and near Pangburn, AR. The inspection was a special inspection and included review of Records and an inspection of the physical facility. This was a follow up Inspection as the O&M inspection was performed in 2009. Mr. Looney conducted the inspection in a competent, courteous, and professional manner.

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

PART G - PHMSA Initiatives - Strategic Plan

Points(MAX) Score

Risk base Inspections - Targeting High Risk Areas

1 Does state have process to identify high risk inspection units? 1.5 1.5

Yes = 1.5 No = 0

Risk Factors (criteria) to consider may include:

Miles of HCA's, Geographic area, Population Density

Length of time since last inspection

History of Individual Operator units (leakage, incident and compliance history, etc.)

Threats - (Excavation Damage, Corrosion, Natural Forces, Other Outside Forces, Material or Welds, Equipment, Operations, Other)

SLR Notes:

G.1. Yes, AOGC from 2008 to present has found 8 regulated Units, 4 are Type B Gathering and 4 are Type A Gathering. All 8 Units are well known. Risk factors have been identified but with such a small set of Units, a risk ranking program is not needed. All 8 Units are scheduled for inspection every year.

2 Are inspection units broken down appropriately? (see definitions in Guidelines) .5 0.5

Yes = .5 No = 0

SLR Notes:

G.2. Yes.

3 Consideration of operators DIMP Plan? (if available and pending rulemaking) Info Only Info Only

Info Only = No Points

SLR Notes:

G.3. NA, no distribution systems.

4 Does state inspection process target high risk areas? .5 NA

Yes = .5 No = 0

SLR Notes:

G.4. NA, the entire group of jurisdictional lines is short and small with no HCAs.

Use of Data to Help Drive Program Priority and Inspections

5 Does state use data to analyze effectiveness of damage prevention efforts in the state? (DIRT or other data, etc) .5 NA

Yes = .5 No = 0

SLR Notes:

G.5. NA, no perceived applicability to use DIRT at this time. If there is ever a line hit this question will be re-addressed.

6 Has state reviewed data on Operator Annual reports for accuracy? .5 0.5

Yes = .5 No = 0

SLR Notes:

G.6. Yes, five operators have more than a mile of regulated pipe and those annual reports are received and reviewed. It is addressed in the SOP and the regulations.

7 Has state analyzed annual report data for trends and operator issues? .5 NA

Yes = .5 No = 0

SLR Notes:

G.7. NA, the annual reports are reviewed for completeness and possible errors. There is no value at this time for making trending efforts as the total regulated mileage is very small. When all gas gathering lines become regulated then the need for trending will be revisited.

8 Has state reviewed data on Incident/Accident reports for accuracy? .5 NA

Yes = .5 No = 0

SLR Notes:

G.8. NA, there have been no incident reports from 2008 to present.

9	Does state do evaluation of effectiveness of program based on data? (i.e. performance measures, trends, etc.)	.5	NA
	Yes = .5 No = 0		

SLR Notes:

G.9. NA, this is a small and new program, there is little if any data available to evaluate.

10	Did the State input all operator qualification inspection results into web based database provided by PHMSA in a timely manner upon completion of OQ inspections? Previous Question B.15	.5	NA
	Yes = .5 No = 0		

SLR Notes:

G.10. NA, OQ is not part of Gathering. Will reconsider when Transmission is identified.

11	Did the State submit their replies into the Integrity Management Database (IMDB) in response to the Operators notifications for their integrity management program? Previous Question B.16	.5	NA
	Yes = .5 No = 0		

SLR Notes:

G.11. NA, IMP is not part of Gathering. Will reconsider when Transmission is identified.

12	Have the IMP Federal Protocol forms been uploaded to the IMDB? Previous Question B.17	.5	NA
	Yes = .5 No = 0		

SLR Notes:

G.12. NA, none.

13	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? Previous Question B.18	.5	NA
	Yes = .5 No = 0		

SLR Notes:

G.13. NA, new program, there is little if any data available to evaluate for plastic pipe. There have been no plastic pipe incidents or identified defects since the State Partnership started on 01/01/2008. (will monitor this question for future applicability)

14	Has state confirmed transmission operators have submitted information into National Pipeline Mapping System (NPMS) database along with any changes made after original submission?	.5	NA
	Yes = .5 No = 0		

SLR Notes:

G.14. NA, not yet, E&P Operators have not been confirmed to have Transmission Lines in AR. This question will be NA until transmission lines are identified or gathering line data starts being required.

Accident/Incident Investigation Learning and Sharing Lessons Learned

15	Has state shared lessons learned from incidents/accidents? (i.e. NAPSIR meetings and communications)	.5	NA
	Yes = .5 No = 0		

SLR Notes:

G.15. NA, there have been no jurisdictional incidents.

16	Does the State support data gathering efforts concerning accidents? (Frequency/Consequence/etc)	.5	0.5
	Yes = .5 No = 0		

SLR Notes:

G.16. Yes, however there is no data to collect.

17	Does state have incident/accident criteria for conducting root cause analysis?	Info Only	Info Only
	Info Only = No Points		

SLR Notes:

G.17. No, not yet.

18	Does state conduct root cause analysis on incidents/accidents in state?	Info Only	Info Only
-----------	---	-----------	-----------



SLR Notes:

G.18. NA, there have been no incidents.

19	Has state participated on root cause analysis training? (can also be on wait list)	.5	0.5
	Yes = .5 No = 0		

SLR Notes:

G.19. No, but points are awarded. Mr. Looney is on the wait list for this course.

Transparency - Communication with Stakeholders

20	Other than pipeline safety seminar does State communicate with stakeholders? (Communicate program data, pub awareness, etc.)	.5	0.5
	Yes = .5 No = 0		

SLR Notes:

G.20. Yes, In 2010 AOGC participated in the AR and LA Pipeline Safety Seminars; and continued to push Damage Prevention and One-call in almost every contact with E&P operators. AOGC issued and wore approved work shirts that have One-Call info and the 811 logo.

21	Does state share enforcement data with public? (Website, newsletters, docket access, etc.)	.5	0.5
	Yes = .5 No = 0		

SLR Notes:

G.21. Yes, all Hearings are public information and on the web site. Notices are public information too, but they have to be requested

22	Part G: General Comments/Regional Observations	Info Only	Info Only
	Info Only = No Points		

SLR Notes:

G.22. This is a small, and limited program for AOGC. It is unlikely that there will be enough data to perform detailed analysis for risk based inspections, or to evaluate damage Prevention in the State, or to have enough incidents to share lessons learned. AOGC is transparent in its communication with stakeholders.

Total points scored for this section: 4.5
Total possible points for this section: 4.5



PART H - Miscellaneous

Points(MAX) Score

- | | | | |
|----------|---|----|-----|
| 1 | What were the major accomplishments for the year being evaluated? (Describe the accomplishments, NAPSR Activities and Participation, etc.)
Yes = .5 No = 0 | .5 | 0.5 |
|----------|---|----|-----|

SLR Notes:

H.1. AOGC had its first year as a State Partner in 2008 and found some jurisdictional pipe. It conducted its first inspections and issued its first notices relative to 49 CFR 192. In 2009 the pipeline program was expanded to include the part time services of Mrs. Kelly Hert, a Pipeline/Petroleum Engineer with AOGC. In 2010 AOGC has effectively found the regulated gathering lines in the State, and was a party to explore the limits of the current Gas Gathering line definition.

- | | | | |
|----------|--|----|-----|
| 2 | What legislative or program initiatives are taking place/planned in the state, past, present, and future? (Describe initiatives (i.e. damage prevention, jurisdiction/authority, compliance/administrative, etc.)
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

H.2. AOGC has modified its rules to reference the current version of 49 CFR 190, 191, 192, & 199. In 2009 they were amended again to automatically include all future revisions of the applicable Federal regulations. A review in 2010 shows that the updates are automatic.

- | | | | |
|----------|--|----|-----|
| 3 | Any Risk Reduction Accomplishments/Projects? (i.e. Cast iron replacement projects, bare steel, third-party damage reductions, etc.)
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

H.3. Yes, Operator Training. AOGC has now completed 3+ years of contact with E&P companies relative to regulated gathering lines and has provided valuable information relative the management and operation of those lines with emphasis on safety

- | | | | |
|----------|--|---|---|
| 4 | Did the state participate in/respond to surveys or information requests from NAPSR or PHMSA?
Yes = 1 No = 0 | 1 | 1 |
|----------|--|---|---|

SLR Notes:

H.4. Yes, AOGC has responded to all known requests.

- | | | | |
|----------|---|----|-----|
| 5 | Sharing Best Practices with Other States - (General Program)
Yes = .5 No = 0 | .5 | 0.5 |
|----------|---|----|-----|

SLR Notes:

H.5. AOGC has found a way to modify its rules to reference the current version of 49 CFR 190-199, and not have to submit a legislative bill thereafter.

- | | | | |
|----------|---|-----------|-----------|
| 6 | Part H: General Comments/Regional Observations
Info Only = No Points | Info Only | Info Only |
|----------|---|-----------|-----------|

SLR Notes:

H.6. AOGC makes its records available to the public and has found a way to modify its rules to reference the current version of 49 CFR 190-192 & 199, and not have to submit a legislative bill thereafter. AOGC was successful in assigning additional staff to the pipeline safety program in 2009. 2010 work saw the benefit of having additional staff.

Total points scored for this section: 3
Total possible points for this section: 3

PART I - Program Initiatives

Points(MAX) Score

Drug and Alcohol Testing (49 CFR Part 199)

- | | | | |
|----------|---|---|---|
| 1 | Has the state verified that operators have drug and alcohol testing programs?
Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

I.1. Yes, this program was started in 2009 with 2 of 7 operators inspected and 4 of the remaining 5 were inspected in 2010. All operators will be inspected (& some re-inspected) by the end of 2011.

- | | | | |
|----------|--|----|-----|
| 2 | Is the state verifying that operators are conducting the drug and alcohol tests required by the operators program (random, post-incident, etc.)
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

I.2. Yes, this program was started in 2009 with 2 of 7 operators inspected and 4 of the remaining 5 were inspected in 2010. All operators will be inspected (& some re-inspected) by the end of 2011.

- | | | | |
|----------|---|----|-----|
| 3 | Is the state verifying that any positive tests are responded to in accordance with the operator's program?
Yes = .5 No = 0 | .5 | 0.5 |
|----------|---|----|-----|

SLR Notes:

I.3. Yes. AOGC added this question to their Standard Inspection addendum sheet effective 7/13/10.

Qualification of Pipeline Personnel (49 CFR Part 192 Subpart N)

- | | | | |
|----------|---|---|----|
| 4 | Has the state verified that operators have a written qualification program?
Yes = 1 No = 0 | 1 | NA |
|----------|---|---|----|

SLR Notes:

I.4. NA, not part of type B gathering or of type A gathering in Class 2. Will include when Type A in a Class 3 or 4 location and/or Transmission lines are confirmed.

- | | | | |
|----------|--|----|----|
| 5 | Has the state reviewed operator qualification programs for compliance with PHMSA rules and protocols?
Yes = .5 No = 0 | .5 | NA |
|----------|--|----|----|

SLR Notes:

I.5. NA, not part of type B gathering or of type A gathering in Class 2. Will include when Type A in a Class 3 or 4 location and/or Transmission lines are confirmed.

- | | | | |
|----------|--|----|----|
| 6 | Is the state verifying that persons who perform covered tasks for the operator are qualified in accordance with the operator's program?
Yes = .5 No = 0 | .5 | NA |
|----------|--|----|----|

SLR Notes:

I.6. NA, not part of type B gathering or of type A gathering in Class 2. Will include when Type A in a Class 3 or 4 location and/or Transmission lines are confirmed.

- | | | | |
|----------|--|----|----|
| 7 | Is the state verifying that persons who perform covered task for the operator are requalified at the intervals specified in the operator's program?
Yes = .5 No = 0 | .5 | NA |
|----------|--|----|----|

SLR Notes:

I.7. NA, not part of type B gathering or of type A gathering in Class 2. Will include when Type A in a Class 3 or 4 location and/or Transmission lines are confirmed.

Gas Transmission Pipeline Integrity Management (49 CFR Part 192 Subpart O)

- | | | | |
|----------|--|---|----|
| 8 | Has the state verified that all operators with transmission pipelines have either adopted an integrity management program (IMP), or have properly determined that one is not required?
Yes = 1 No = 0 | 1 | NA |
|----------|--|---|----|

SLR Notes:

I.8. NA, not part of type A or B gathering. Will include when Transmission lines are confirmed.

- | | | | |
|----------|--|----|----|
| 9 | Has the state verified that in determining whether a plan is required, the operator correctly calculated the potential impact radii and properly applied the definition of a high consequence area?
Yes = .5 No = 0 | .5 | NA |
|----------|--|----|----|

SLR Notes:

I.9. NA, not part of type A or B gathering. Will include when Transmission lines are confirmed.

10	Has the state reviewed operator IMPs for compliance with Subpart O? (In accordance with State Inspection plan) Yes = .5 No = 0	.5	NA
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SLR Notes:

I.10. NA, not part of type A or B gathering. Will include when Transmission lines are confirmed.

11	Is the state monitoring operator progress on the inspections, tests and remedial actions required by the operator's IMP, including that they are being done in the manner and schedule called for in its IMP? Yes = .5 No = 0	.5	NA
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SLR Notes:

I.11. NA, not part of type A or B gathering. Will include when Transmission lines are confirmed.

12	Is the state verifying that operators are periodically examining their transmission line routes for the appearance of new HCAs? Yes = .5 No = 0	.5	NA
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SLR Notes:

I.12. NA, not part of type A or B gathering. Will include when Transmission lines are confirmed.

Public Awareness (49 CFR Section 192.616)

13	Has the state verified that each operator has developed a continuing public awareness program? (due date was 6/20/06 for most operators, 6/20/07 for certain very small operators, 6/13/08 for master meters) Yes = .5 No = 0	.5	0.5
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SLR Notes:

I.13. Yes, all seven operators have Public Awareness Plans that are developed per API 1162. Most operators have been required to make some amendments. All seven Public Awareness Plans were reviewed in 2008 or 2009.

14	Has the state reviewed the content of these programs for compliance with 192.616 (by participating in the Clearinghouse or by other means)? Yes = .5 No = 0	.5	0.5
-----------	--	----	-----

SLR Notes:

I.14. Yes. The plans have been reviewed relative to API 1162.

15	Is the state verifying that operators are conducting the public awareness activities called for in its program? Yes = .5 No = 0	.5	0.5
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SLR Notes:

I.15. Yes, during Standard inspections. Also during some Operational Records and Field inspections.

16	Is the state verifying that operators have evaluated their Public Awareness programs for effectiveness as described in RP1162? Info Only = No Points	Info Only	Info Only
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SLR Notes:

I.16. In 2008 and 2009 most of the operators were developing their Damage Prevention Programs for the first time. They were inspected per API 1162 and were directed to come into compliance with API 1162. They are well aware of the requirement for continuous review and revision. In 2011 they are being re-inspected and their documents of review and revision are be checked. The Operator's review for effectiveness is too soon to be an area of emphasis as the 4 year initial cycle has not yet passed.

17	Part I: General Comments/Regional Observations Info Only = No Points	Info Only	Info Only
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SLR Notes:

I.17. AOGC developed its program to address Type B Gathering only. Its current program addresses Type B and Type A in Class 2 locations. It will address additional expansion of its program when regulated Type A in Class 3 or 4 and Transmission lines are confirmed. AOGC is inspecting for Drug and Alcohol and for Damage Prevention. OQ and IMP will be addressed when facilities are identified that require them or due to new or revised regulations.

Total points scored for this section: 3.5
Total possible points for this section: 3.5