

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

2016 Gas State Program Evaluation

for

IOWA UTILITIES BOARD

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)



2016 Gas State Program Evaluation -- CY 2016

Gas

State Agency: Iowa

Agency Status:

Date of Visit: 05/30/2017 - 10/20/2017

Agency Representative: Leonard Steiner

PHMSA Representative: Don Stursma

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

Name/Title: Geri D. Huser, Chair

Agency: Iowa Utility Board

Address: 1375 East Court Avenue, Room 69

City/State/Zip: Des Moines, Iowa 50319

Rating:

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

INSTRUCTIONS:

Complete this evaluation in accordance with the Procedures for Evaluating State Pipeline Safety Program. The evaluation should generally reflect state program performance during CY 2016 (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 | 10 | 10 |
| B | Program Inspection Procedures | 13 | 13 |
| C | Program Performance | 45 | 45 |
| D | Compliance Activities | 15 | 15 |
| E | Incident Investigations | 10 | 6 |
| F | Damage Prevention | 8 | 8 |
| G | Field Inspections | 12 | 12 |
| H | Interstate Agent State (If Applicable) | 3 | 3 |
| I | 60106 Agreement State (If Applicable) | 0 | 0 |
| TOTALS | | 116 | 112 |
| State Rating | | | 96.6 |

PART A - Progress Report and Program Documentation Review

Points(MAX) Score

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

Evaluator Notes:
Accurate as reported.

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

Evaluator Notes:
Accurate as reported

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

Evaluator Notes:
Accurate as reported

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

Evaluator Notes:
Yes, Accurate as reported

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

Evaluator Notes:
Yes, Accurate as reported.

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

Evaluator Notes:
Yes, Most files were stored in electronic format.

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

Evaluator Notes:
Yes, Accurate as reported.

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

Evaluator Notes:
Yes, Amendments were adopted as reported.

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



Evaluator Notes:
Yes

10 General Comments:
Info Only = No Points

Info Only Info Only

Evaluator Notes:

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



PART B - Program Inspection Procedures

Points(MAX) Score

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Adequate inspections procedures.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Adequate inspection procedures.

- | | | | |
|---|--|---|---|
| 3 | OQ Inspection procedures should give guidance to state inspectors that insure consistency in all inspections conducted by the state? The following elements should be addressed at a minimum - pre-inspection activities, inspection activities, post-inspection activities. | 1 | 1 |
|---|--|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Adequate inspection procedures.

- | | | | |
|---|---|---|---|
| 4 | Damage Prevention Inspection procedures should give guidance to state inspectors that insure consistency in all inspections conducted by the state? The following elements should be addressed at a minimum - pre-inspection activities, inspection activities, post-inspection activities. | 1 | 1 |
|---|---|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Adequate inspection procedures.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes adequate procedures and criteria of when to provide training.

- | | | | |
|---|--|---|---|
| 6 | Construction Inspection procedures should give guidance to state inspectors that insure consistency in all inspections conducted by the state? The following elements should be addressed at a minimum - pre-inspection activities, inspection activities, post-inspection activities. | 1 | 1 |
|---|--|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, Adequate inspection procedures.

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

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

- | | | | | |
|----|---|--------------------------------------|--------------------------|---|
| a. | Length of time since last inspection (Within five year interval) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b. | Operating history of operator/unit and/or location (includes leakage, incident and compliance activities) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

- c. Type of activity being undertaken by operators (i.e. construction) Yes No Needs Improvement
- d. Locations of operators inspection units being inspected - (HCA's, Geographic areas, Population Density, etc) Yes No Needs Improvement
- 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 No Needs Improvement
- f. Are inspection units broken down appropriately? Yes No Needs Improvement

Evaluator Notes:

Yes, the priority process has all the required considerations.

8 General Comments:

Info Only = No Points

Evaluator Notes:

Info Only Info Only

Total points scored for this section: 13
 Total possible points for this section: 13



PART C - Program Performance

Points(MAX) Score

- 1** Was ratio of Total Inspection person-days to total person days acceptable? (Director of State Programs may modify with just cause) Chapter 4.3 5 5
 Yes = 5 No = 0
 A. Total Inspection Person Days (Attachment 2):
 558.60
 B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
 220 X 5.51 = 1211.28
 Ratio: A / B
 558.60 / 1211.28 = 0.46
 If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0
 Points = 5

Evaluator Notes:

Ratio = .46

- 2** Has each inspector and program manager fulfilled the T Q Training Requirements? (See Guidelines Appendix C for requirements) Chapter 4.4 5 5
 Yes = 5 No = 0 Needs Improvement = 1-4
- a. Completion of Required OQ Training before conducting inspection as lead? Yes No Needs Improvement
 - b. Completion of Required DIMP*/IMP Training before conducting inspection as lead? *Effective Evaluation CY2013 Yes No Needs Improvement
 - c. Root Cause Training by at least one inspector/program manager Yes No Needs Improvement
 - d. Note any outside training completed Yes No Needs Improvement
 - e. Verify inspector has obtained minimum qualifications to lead any applicable standard inspection as the lead inspector. Yes No Needs Improvement

Evaluator Notes:

No outside training was received by the inspectors.

- 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:

Yes, Cynthia Munyon has been assigned the position of Acting Program Manager. She has worked in pipeline safety and is knowledgeable of the safety program.

- 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:

- 5** Did State conduct or participate in pipeline safety training session or seminar in Past 3 Years? Chapter 8.5 1 1
 Yes = 1 No = 0

Evaluator Notes:

Yes, they conducted a safety seminar with a TQ representative in 2016.

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

Evaluator Notes:



Yes, All unit and operators were inspected with they plan intervals.

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

Evaluator Notes:

Yes, The form is patterned after the PHMSA form and all questions were answered.

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

Evaluator Notes:

No known cast iron pipe in Iowa.

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

Evaluator Notes:

No known cast iron pipe in Iowa.

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

Evaluator Notes:

They have a question on the Standard Inspection form.

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

Evaluator Notes:

They have a question on the Standard 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?
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, annual reports are inspected and analyzed.

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

Evaluator Notes:

Yes, inspections are 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:

They have a question on the Standard Inspection form.

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

Evaluator Notes:

Iowa conducted 71 drug and alcohol inspections in CY2016.

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 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, Iowa conducted 32.5 days of OQ inspections.

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). (Are the State's largest operators programs being contacted or reviewed annually?). 49 CFR 192 Subpart O 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, Iowa is conducting IMP inspections.

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

Evaluator Notes:

Yes, Iowa is conducting DIMP inspections.

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. PAPEI Effectiveness Inspections should have been completed by December 2013. PAPEI Effectiveness Inspections should be conducted every four years by operators. 49 CFR 192.616 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, Iowa is conducting Public Awareness inspections and the effective inspections.

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

Evaluator Notes:

Yes, Iowa has a website for pipeline safety. They have a method for anyone to enter into the Iowa electronic filing system to review all inspections and reports.

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

Evaluator Notes:

No SRCRs were submitted in CY2016, and no open SCRCs for monitoring.

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

Evaluator Notes:

They have a question on the Standard Inspection form.

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

Evaluator Notes:

Yes

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

Evaluator Notes:

No waivers were issued.

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

Evaluator Notes:

Yes

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

- a. Discussion of Potential Accelerated Actions (AA's) based on any negative trends Yes No Needs Improvement
- b. NTSB P-11-20 Meaningful Metrics Yes No Needs Improvement

Evaluator Notes:

No AAs we identified. Discussion of the metrics was done. The metrics are steady. The Program Manager is recommended to review the metrics and to be part of the goals to improve pipeline safety in Iowa.

27 Discussion with State on accuracy of inspection day information submitted into State Inspection Day Calculation Tool. (No points)
Info Only = No Points

Evaluator Notes:

The use of the SICT was discussed. As inspections are completed, the number of inspection days should be continually recorded and then the SICT should be amended at the end of each year. When all types of inspections of all operators have been completed, this should provide the best data to determine the number of days. The Program Manager should periodically review to ensure the accuracy of days of inspection and can be recorded in the SICT.



28 Did the State verify Operators took appropriate action regarding Pipeline Flow Reversals, Info Only
Product Changes and Conversions to Service? See ADP-2014-04 (No Points)
Info Only = No Points

Evaluator Notes:

None of these changes have occurred in Iowa.

29 General Comments:
Info Only = No Points

Info Only

Evaluator Notes:

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



PART D - Compliance Activities

Points(MAX) Score

- | | | |
|--|---|---|
| <p>1 Does the state have written procedures to identify steps to be taken from the discovery to resolution of a probable violation? Chapter 5.1 Yes = 4 No = 0 Needs Improvement = 1-3</p> <p>a. Procedures to notify an operator (company officer) when a noncompliance is identified</p> <p>b. Procedures to routinely review progress of compliance actions to prevent delays or breakdowns</p> <p>c. Procedures regarding closing outstanding probable violations</p> | <p>4</p> <p>Yes <input checked="" type="radio"/> No <input type="radio"/></p> <p>Yes <input checked="" type="radio"/> No <input type="radio"/></p> <p>Yes <input checked="" type="radio"/> No <input type="radio"/></p> | <p>4</p> <p>Needs Improvement <input type="radio"/></p> <p>Needs Improvement <input type="radio"/></p> <p>Needs Improvement <input type="radio"/></p> |
|--|---|---|

Evaluator Notes:
Have adequate procedures.

- | | | |
|---|---|---|
| <p>2 Did the state follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? Chapter 5.1 Yes = 4 No = 0 Needs Improvement = 1-3</p> <p>a. Were compliance actions sent to company officer or manager/board member if municipal/government system?</p> <p>b. Document probable violations</p> <p>c. Resolve probable violations</p> <p>d. Routinely review progress of probable violations</p> <p>e. Were applicable civil penalties outlined in correspondence with operator(s)</p> | <p>4</p> <p>Yes <input checked="" type="radio"/> No <input type="radio"/></p> | <p>4</p> <p>Needs Improvement <input type="radio"/></p> |
|---|---|---|

Evaluator Notes:
The enforcement during the compliance actions was effective with adequate procedures.

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

Evaluator Notes:
All probable violations were issued a compliance action.

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

Evaluator Notes:
Yes

- | | | |
|--|----------|----------|
| <p>5 Is the program manager familiar with state process for imposing civil penalties? Were civil penalties considered for repeat violations (with severity consideration) or violations resulting in incidents/accidents? (describe any actions taken) Yes = 2 No = 0 Needs Improvement = 1</p> | <p>2</p> | <p>2</p> |
|--|----------|----------|

Evaluator Notes:
Yes, Iowa has imposed penalties in past years.

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

Evaluator Notes:
Yes, However, no civil penalties have been imposed since 2012.

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

Evaluator Notes:

Total points scored for this section: 15
Total possible points for this section: 15



PART E - Incident Investigations

Points(MAX) Score

- 1 Does the state have written procedures to address state actions in the event of an incident/accident? 2 2
 Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:
 Adequate procedures

- 2 Does state have adequate mechanism to receive and respond to operator reports of incidents, including after-hours reports? And did state keep adequate records of Incident/Accident notifications received? Chapter 6 2 2
 Yes = 2 No = 0 Needs Improvement = 1

- a. Acknowledgement of MOU between NTSB and PHMSA (Appendix D) Yes No Needs Improvement
 b. Acknowledgement of Federal/State Cooperation in case of incident/accident (Appendix E) Yes No Needs Improvement

Evaluator Notes:
 The Iowa Utilities Board (IUB) has established by regulations the rotating additional duty of Duty Officer. The Duty Officer will receive notices of incidents and relay the information to the appropriate section, ie pipeline safety. The telephone number is in the regulation 199-10.17(479).

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

Evaluator Notes:
 One incident occurred in Iowa during CY2016. No inspection/investigation report was written. There were no facts available for not conducting an on-site investigation.

- 4 Were all incidents investigated, thoroughly documented, and with conclusions and recommendations? 3 0
 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:
 No records were available to determine if an on-site investigation was made or should have been made. Records did not show that an inspection/investigation was conducted for the primary objectives in Chapter 6, Guidelines. There were not inspection days used for the inspection/investigation. No inspection/investigation report was written.

- 5 Did the state initiate compliance action for violations found during any incident/accident investigation? 1 NA
 Yes = 1 No = 0

Evaluator Notes:
 No probable violations were discovered.

- 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:



- 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:

- 8 General Comments:
Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

Total points scored for this section: 6
Total possible points for this section: 10



PART F - Damage Prevention

Points(MAX) Score

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

Evaluator Notes:
There is a question on the O&M procedure inspection form that inspects the procedures about drilling/boring near an operator's pipeline.

- | | | | |
|----------|---|---|---|
| 2 | Did the state inspector check to assure the pipeline operator is following its written procedures pertaining to notification of excavation, marking, positive response and the availability and use of the one call system? Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

Evaluator Notes:
There are several questions on the O&M procedures inspection form about how the operator responds to the receipt of a locate request.

- | | | | |
|----------|--|---|---|
| 3 | Did the state encourage and promote practices for reducing damages to all underground facilities to its regulated companies? (i.e. such as promoting/adopting the CGA Best Practices encouraging adoption of the 9 Elements, etc.) Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|--|---|---|

Evaluator Notes:
The Iowa Pipeline Safety Program is active with the Iowa One-Call System, and works with the Damage Prevention Councils.

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

Evaluator Notes:
Yes, the data is collected and compared to other types of leaks.

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

Evaluator Notes:

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



PART G - Field Inspections

Points(MAX) Score

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

Name of Operator Inspected:
 Northern Natural Gas, City of Moulton, Iowa
 Name of State Inspector(s) Observed:
 Davd McCann, Dan O'Connor and Jim Brimm, Mike Megehee, Gabe Tucker
 Location of Inspection:
 Ventura, Iowa and Moulton, Iowa
 Date of Inspection:
 May 30-31 and June 1, 2017
 Name of PHMSA Representative:
 Leonard Steiner

Evaluator Notes:

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

Evaluator Notes:

Yes, Adequate notification was provided to each operator.

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

Evaluator Notes:

Yes, the appropriate inspection form was used a guide at the inspections and completed.

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

Evaluator Notes:

The inspections were completed and accurately records 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.) 1 1
 Yes = 1 No = 0

Evaluator Notes:

At the Northern Natural Gas inspection, no special equipment was required. At the City of Moulton inspection any and all equipment for inspection was available.

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:

At the Northern Natural Gas inspection, the procedures and records were inspected. At the City of Moulton inspection, procedures, records and the physical facilities were inspected.



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

Evaluator Notes:
 Yes

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

Evaluator Notes:
 Yes, an exit interview was given at each inspection.

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

Evaluator Notes:
 Probable violations were identified.

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

- a. Abandonment
- b. Abnormal Operations
- c. Break-Out Tanks
- d. Compressor or Pump Stations
- e. Change in Class Location
- f. Casings
- g. Cathodic Protection
- h. Cast-iron Replacement
- i. Damage Prevention
- j. Deactivation
- k. Emergency Procedures
- l. Inspection of Right-of-Way
- m. Line Markers
- n. Liaison with Public Officials
- o. Leak Surveys
- p. MOP
- q. MAOP
- r. Moving Pipe
- s. New Construction
- t. Navigable Waterway Crossings
- u. Odorization
- v. Overpressure Safety Devices
- w. Plastic Pipe Installation
- x. Public Education
- y. Purging
- z. Prevention of Accidental Ignition
- A. Repairs
- B. Signs
- C. Tapping
- D. Valve Maintenance



- E. Vault Maintenance
- F. Welding
- G. OQ - Operator Qualification
- H. Compliance Follow-up
- I. Atmospheric Corrosion
- J. Other

Evaluator Notes:

On May 30-31, 2017, I observed Dave McCann and Dan O'Connor conduct a standard inspection of the LNG facilities operated by North Natural Gas Company, at Ventura, Iowa. This plant is an interstate pipeline facility. The inspectors had coordinated the time and date of the inspection. The inspectors arrived at the site at the agreed time. The operators personnel were notified what was to be inspected and had access to all records. The inspectors were knowledgeable and competent and conducted the inspection in a professional and courteous manner. On June 1, 2017, at the City Moulton inspection, I observed Jim Brimm, lead inspector, assisted by Mike McGehee and Gabe Tucker, conduct a standard inspection. This pipeline facility was a municipal owned and operated facility. Adequate notification was provided and the operator was prepared for the inspection. The inspectors arrived at the agreed time and place. The inspection was procedures, records and physical facilities. The operator had all records available and any equipment needed. The inspectors were knowledgeable and competent and conducted the inspection in a professional and courteous manner.

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



PART H - Interstate Agent State (If Applicable)

Points(MAX) Score

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

Evaluator Notes:

Yes, Only one interstate inspections was required, Iowa used the legacy LNG inspection form. No IA form was available at the time of the inspection.

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

Evaluator Notes:

Yes, Adequate documentation for the "PHMSA directed inspection plan."

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

Evaluator Notes:

Yes, submitted as required.

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

Evaluator Notes:

No Probable Violations were identified at the interstate inspection.

5 Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? 1 NA
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

No imminent safety hazards were identified during this inspection.

6 Did the state give written notice to PHMSA within 60 days of all probable violations found? 1 NA
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

No probable violatons were identified during this inspection.

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

Evaluator Notes:

No probable violations were identified during this inspection.

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

Evaluator Notes:

Input for the interstate evaluation was provided by Hans Shieh, supervisor and inspector at the Central Region Office in Kansas City, MO

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



PART I - 60106 Agreement State (If Applicable)

Points(MAX) Score

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

5 Did the state give written notice to PHMSA within 60 days of all probable violations found? 1 NA
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

