

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

2016 Gas State Program Evaluation

for

NEW YORK PUBLIC SERVICE COMMISSION

Document Legend

PART:

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



2016 Gas State Program Evaluation -- CY 2016

Gas

State Agency: New York

Agency Status:

Date of Visit: 07/13/2017 - 09/01/2017

Agency Representative: Kevin Speicher, Program Manager

PHMSA Representative: Rex Evans - Office, Jim Anderson/Agustin Lopez - Field

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

Name/Title: Mr. John B. Rhodes, Chair

Agency: New York Department of Public Service

Address: Three Empire State Plaza

City/State/Zip: Albany, NY 12223-1350

Rating:

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

INSTRUCTIONS:

Complete this evaluation in accordance with the Procedures for Evaluating State Pipeline Safety Program. The evaluation should generally reflect state program performance during CY 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
B	Program Inspection Procedures
C	Program Performance
D	Compliance Activities
E	Incident Investigations
F	Damage Prevention
G	Field Inspections
H	Interstate Agent State (If Applicable)
I	60106 Agreement State (If Applicable)

10	10
13	13
49	49
15	15
11	11
8	8
12	12
7	7
0	0

TOTALS

125 125

State Rating

100.0

PART A - Progress Report and Program Documentation Review

Points(MAX) Score

- | | 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:

Information reviewed appears accurate.

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

Evaluator Notes:

Inspection day file - time reviewed and no issues found. NYPSC actually takes the hours worked and divides by 7.5 (max per day) to come up with days. No issues found

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

Information appears to match PDM and state records.

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

Information matches PDM and state records. No issues.

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

Evaluator Notes:

Reviewed compliance summary spreadsheet. This is documented by operator. Four offices information is combined into summary by operator. Albany, Buffalo, Syracuse and NYC.

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

Evaluator Notes:

No issues, inspection documentation and correspondence is all kept on LAN in electronic document format. R,S,T drives.

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

The information appears correct provided from PHMSA TQ

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

All appears up to date, NYPSC has their own code sections mirroring Federal code.

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

Evaluator Notes:
No issues.

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

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:

General program procedures start in State Guidance Manual which is procedures document for the program. The bulk of necessary guidance information starts in Section 4.2 of the Manual covering necessary elements. Interstate information is in Chapter 10. No issues.

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

IMP and DIMP are included in procedures for the program, Section 4.5 (2). Items are generally covered, but some enhancement could be done to document annual reviews on progress of plans.

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

OQ is covered in procedures, Section 4.5 (3). Field assessments are on-going. No issues found.

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

Chapter 8 of procedures outlines damage prevention program. NYPSC has enforcement authority over these activities and all are adequately outlined in Manual.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Section 4.12 outlines how the program approaches any training efforts done. No issues.

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

Section 6 of Manual is dedicated to outlining approach to construction inspections. The necessary forms and documentation requirements are listed. No issues found.

- | | | | |
|---|---|---|---|
| 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 <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d. | Locations of operators inspection units being inspected - (HCA's, Geographic areas, Population Density, etc) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| e. | Process to identify high-risk inspection units that includes all threats - (Excavation Damage, Corrosion, Natural Forces, Outside Forces, Material and Welds, Equipment, Operators and any Other Factors) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| f. | Are inspection units broken down appropriately? | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

Evaluator Notes:

Section 4 of Manual outlines inspection priority process including intervals and how inspections are approached with risk considerations. Units for the program do appear to be broken down properly.

8 General Comments:

Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

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



PART C - Program Performance

Points(MAX) Score

- 1 Was ratio of Total Inspection person-days to total person days acceptable? (Director of State Programs may modify with just cause) Chapter 4.3 5 5
Yes = 5 No = 0

A. Total Inspection Person Days (Attachment 2):
2234.05

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 23.73 = 5220.05

Ratio: A / B
2234.05 / 5220.05 = 0.43

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

Evaluator Notes:

Minimum days have been met with a .43 ratio. No issues

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

- | | | | | |
|----|--|--------------------------------------|--------------------------|---|
| a. | Completion of Required OQ Training before conducting inspection as lead? | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b. | Completion of Required DIMP*/IMP Training before conducting inspection as lead? *Effective Evaluation CY2013 | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c. | Root Cause Training by at least one inspector/program manager | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d. | Note any outside training completed | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| e. | Verify inspector has obtained minimum qualifications to lead any applicable standard inspection as the lead inspector. | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

Evaluator Notes:

It appears all training and qualifications as necessary are complete as needed.

- 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:

Kevin Speicher has 22 years experience with program no issues.

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

Evaluator Notes:

Return letter was received within 60 days and all issues appear to have been addressed.

- 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, last seminar was held with other NE states in September 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:

Inspections are kept in local files, along with Inspection Assistant and the DIMP/PA databases. All appear to be inspected in established intervals.

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

Evaluator Notes:

Code requirements are kept on a master spreadsheet for all operators, inspection time frames are split and all appear to be complete.

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

Evaluator Notes:

This is covered in audit plan as applicable

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

Evaluator Notes:

Also covered as applicable in audit plan

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

Evaluator Notes:

The Commission issued its Gas Emergency Plan Final Order (Case 13-G-0484) on December 18, 2013. The order requires LDCs to submit emergency plans with consideration of the best practices developed by Staff, and in conjunction with working group efforts at Staff's 2016 Pipeline Safety Seminar. These plans were reviewed during the 2014 calendar year.

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

Evaluator Notes:

All incident and accident notifications received are reviewed and documented in the 'INL' access database

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

Evaluator Notes:

Review incorporated within the 2017 Performance Measures Report, Case 17-G-0245, published on June 15, 2017.

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|----|---|---|---|
| 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 | 2 | 2 |
|----|---|---|---|

Evaluator Notes:

Using IA for all OQ and IMP audits

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

Evaluator Notes:

NY periodically reviews that intrastate operators have submitted information into NPMS database, along with any modifications

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

A comprehensive plan review was completed for all operators in 2013. The documentation is located within r:\division\gaswater\safety\Drug & Alcohol Audits. Their plan is to audit this on a five year interval

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

OQ plans appear up to date. Information and correspondence letters reviewed in operator files. On-going compliance issues with operators regarding qualification matters and Northeast Gas Association.

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

Information reviewed in files and IA appear to be up to date.

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|----|---|---|---|
| 18 | Is state verifying operator's gas distribution integrity management Programs (DIMP)? This should include a review of DIMP plans, along with monitoring progress. In addition, the review should take in to account program review and updates of operators plan(s). (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
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----|---|---|---|
-

Evaluator Notes:

Plans appear to be up to date. Reminder about next round of program reviews

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

Evaluator Notes:

State has initiated secondary reviews of plans.

- | | | | |
|----|---|---|---|
| 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, website was updated since last evaluation to add regulation and other links. Recommended viewing other states sites for adding possible other links.

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

Evaluator Notes:

No issues reported by Region on Follow-up

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

Evaluator Notes:

Quarterly meetings are held with the operators to discuss advisory bulletins, pipe/component defects, and their disposition, federal notices, etc. Operators participate in PPDC

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

Evaluator Notes:

No issues

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

Evaluator Notes:

According to program - all waivers issued have been superseded by regulatory changes.

25	Did the state attend the National NAPSRS Board of Directors Meeting in CY being evaluated?	1	1
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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	2	2
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No = 0 Needs Improvement = 1 Yes = 2

a.	Discussion of Potential Accelerated Actions (AA's) based on any negative trends	Yes <input checked="" type="radio"/>	No <input type="radio"/>	Needs Improvement <input type="radio"/>
b.	NTSB P-11-20 Meaningful Metrics	Yes <input checked="" type="radio"/>	No <input type="radio"/>	Needs Improvement <input type="radio"/>

Evaluator Notes:

Performance Metrics were discussed. No issues found with trends, waiting on current data to be updated.

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

Evaluator Notes:

Discussed making sure numbers listed are realistic along with demonstrating the sorting of similar operators from other states to get an idea if numbers entered are realistic or not.

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

Evaluator Notes:

No issues. Quarterly meetings are held with the operators to discuss advisory bulletins. NY to initiate discussions related to pipeline flow reversals, product changes, and conversions to service during 2017.

- 29** General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

Total points scored for this section: 49
Total possible points for this section: 49



PART D - Compliance Activities

Points(MAX) Score

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

Evaluator Notes:

Sections 4.9 and 4.10 of the Staff Guidance Manual. Procedures provide examples on how to accumulate violations, how to accumulate pieces of evidence, provides guidance for addressing compliance letters, and for addressing violation specifics. In addition, specific guidance on compliance meetings, high/other risk violations, and a tiered penalty system is outlined in the operator's current merger/rate case.

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

Evaluator Notes:

Copies of audit letters and audit response letters are organized per year. All letters appear to be sent to appropriate personnel, the documentation and resolution process appear acceptable and time frame of resolutions has improved since previous evaluation. NYPSC has clear penalty process with operators that includes negative rate adjustments. No issues

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

Evaluator Notes:

yes - all issues appear to have been addressed with the various operators.

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

Evaluator Notes:

Yes, operator has due process and ability to object to findings through process established.

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

Evaluator Notes:

Yes, no issues.

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

Evaluator Notes:

Yes, several cases of demonstrating authority established.

7 General Comments:

Info Only = No Points

Info OnlyInfo Only

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:

Chapter 9 of the SGM. This chapter provides guidance for media contact, notifications for both business and non-business hours, investigations and documentations, internal notifications, accident investigation guidelines, field investigation reports, reports to the Commission, incident report files, and incidents on interstate facilities

- 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:

Chapters 9, Section 3 of the SGM.

- 3 If onsite investigation was not made, did state obtain sufficient information from the operator and/or by other means to determine the facts to support the decision to not go on-site? Chapter 6 1 1

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Form "GW-1 Safety Section Incident Notification Report" This form includes the company, location, affected utility, date, time the incident occurred, time the company was dispatched, time the company arrived on site, whether or not there was and the number of injuries, fatalities, service and customer interruptions, the critical facilities involved, greater than \$5,000 in property damage, asbestos release, the customers notified, the police and fire departments notified, the date and time of restoration, the cause, description of the incident, and any additional remarks which may be applicable.

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

Yes = 3 No = 0 Needs Improvement = 1-2

- a. Observations and document review Yes ☒ No ☐ Needs Improvement ☐
- b. Contributing Factors Yes ☒ No ☐ Needs Improvement ☐
- c. Recommendations to prevent recurrences when appropriate Yes ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

Through record and documentation review, it appears matters have been appropriately resolved or in process or resolution.

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

Yes = 1 No = 0

Evaluator Notes:

Yes, or pending. No issues.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

No issues

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

Evaluator Notes:

No issues

- 8 General Comments:

Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

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



PART F - Damage Prevention

Points(MAX) Score

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

Evaluator Notes:

As directional drilling/boring procedures are submitted by each pipeline operator or its contractors, they are reviewed by the Albany Engineering Staff in consultation with each affected Field Office. Any comments/recommendations are then provided back to the operator.

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

Evaluator Notes:

During construction monitoring, incident investigations, and 753 enforcement activities, state inspectors verify that each operator is following its written procedures pertaining to the notification of excavation, marking, positive response, and the availability and use of the one-call system. NY inspectors also respond to complaints made by operators, excavators, and third parties regarding the one-call systems, their process, and compliance with applicable regulations

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

In addition to promoting/adopting the CGA Best Practices, NY has incorporated performance measures into the rate cases of several of the jurisdictional pipeline operators. In addition, an independent consultant was selected, in Case 13-M-0314, to audit the performance data submitted by several of these jurisdictional pipeline operators. The results of this audit were presented at the March 17, 2016 Session, its recommendations evaluated, and implemented completed by the operators.

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

NY collects and evaluates the data associated with pipeline damages per 1,000 locate request. NY published the 2016 Gas Safety Performance Measures Report on June 15, 2017, in Case 17-G-0245

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

Evaluator Notes:

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

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

Name of Operator Inspected:

(1) Rochester Gas & Electric; (2) ConEdison; (3) ConEdison LNG; (5) National Grid

Name of State Inspector(s) Observed:

(1) Kristi Fogle; (2) Arpit Mehta; (3) Jonathan Mercurio; (4) Mubashar Ahmed and Sergey Peschanyy; (5) Michael Moll

Location of Inspection:

(1) Rochester, NY; (2) The Bronx, NY; (3) Astoria, NY; (4) Brooklyn, NY (5) Schenectady and Albany, NY

Date of Inspection:

(1) July 13, 2017; (2) August 28, 2017; (3) August 29-30, 2017; (4) August 31-September 1; (5) August 10, 2017

Name of PHMSA Representative:

(1) Jim Anderson; (2) (3) &(4) Agustin Lopez;(5) Rex Evans

Evaluator Notes:

(2) Mr. Arpit Mehta conducted an inspection of ConEdison overpressure protections inspection records for their distribution system in The Bronx, NY. He was very thorough in his review of he records and demonstrated knowledge of the rules and regulations.

(3) Evaluated Mr. Jonathan Mercurio perform and inspection of ConEdison's LNG facility in Astoria, NY. Mr. Mercurio was very knowledgeable of the pipeline safety rules and regulations.

(4) Evaluated Mr. Mubashar Ahmed (lead) and Sergey Peschanyy perform and evaluation on National Grid distribution system in Brooklyn, NY. They inspected new service regulators being installed and leak survey monitoring. Both inspectors performed an excellent job.

(5) Observed miscellaneous construction projects and leak investigation in Schnectady NY

- 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:

(1) Yes. Operator personnel was at operation center during records review and at field location.

(2) Yes, the operator was notified early to allow operator's representatives to be present during the inspection.

(3) Yes, the operator was notified with enough time to allow a representative to be present during the inspection.

(4) Yes, the operator was notified with enough time to allow a representative to be present during the inspection.

(5) yes, No issues

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

Evaluator Notes:

(1) Yes. NY PSC has field inspections forms they use.

(2) Yes, the NY PSC inspector had the appropriate form, Record Audit Workbook, during the inspection and used it as a guide while performing the inspection.

(3) Yes, the inspector utilized the IA program to document and as a guide during the inspection.

(4) Both inspectors utilized a State Form used to document all the field inspections performed throughout the year. Field

results are documented and any probable violations are issued to the operator during the end of the inspection.

(5) Yes, no issues

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

Evaluator Notes:

- (1) Yes. No issues.
- (2) Yes, the inspector documented all his results in the form as he was reviewing the records.
- (3) Yes, the inspectors documented their results in IA.
- (4) Yes, the inspector documented his results on the IA Form.
- (5) Yes, no issues

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

Evaluator Notes:

- (1) Yes. RG&E had valve maintenance/regulator maintenance work truck on sight with all necessary operation equipment.
- (2) Field inspection was performed during a different inspection. The inspector does verify that the operator has proper equipment during his field inspections
- (3) Yes, the inspector verified that the operator had the proper equipment to test alarms, take pipe to soil readings and operate valves.
- (4) Yes, the inspectors verified the operator had the proper equipment to test the set point of each regulator and to perform leak monitoring.
- (5) Yes, all ok

6	Did the inspector adequately review the following during the field portion of the state evaluation? (check all that apply on list)	2	2
Yes = 2 No = 0 Needs Improvement = 1			
a.	Procedures	<input checked="" type="checkbox"/>	
b.	Records	<input checked="" type="checkbox"/>	
c.	Field Activities	<input checked="" type="checkbox"/>	
d.	Other (please comment)	<input type="checkbox"/>	

Evaluator Notes:

- (1) Reviewed regulator annual inspection data in office prior to going into the field to witness regulator lockup pressure test.
- (2) Inspector reviewed overpressure protection records with great detail. He asked operator technician to explain any issues or concerns he had during the review.
- (3) Yes, the inspectors reviewed records, procedures and performed a field inspection of the LNG facility.
- (4) Yes, the inspectors requested and reviewed procedures for installing regulators and for leak survey/monitoring. They also performed a field inspection of the pipeline facilities.
- (5) all activities reviewed were thorough included OQ qualifications of personnel

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

Evaluator Notes:

- (1) Yes. Kristi Fogle has about 6 years pipeline safety experience and has completed all TQ training.
- (2) Yes, Mr. Arpit Mehta is knowledgeable of the pipeline safety program and regulations. He has been an inspector with the NY PSC for 7 years and has completed all required TQ training.
- (3) Yes, Mr. Jonathan Mercurio is knowledgeable of the pipeline safety rules and regulations. He has been an inspector with the NY PSC for over 8 years and has completed all the T&Q training requirements.
- (4) Yes, Mr. Mubashar Ahmed has been an inspector for about 18 months but demonstrates that he is very knowledgeable of the pipeline safety rules and regulations. Mr. Sergey Peshcanyy has been with the PSC for several years and is very knowledgeable of the pipeline safety rules and regulations.
- (5) Yes, Mike Moll has excellent knowledge and very professional

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:

- (1) Did not complete inspection. Inspector did discuss findings with operator.
- (2) Yes, the inspector conducted an exit interview after completing the records review. He notified the operator of any issues identified during the inspection.
- (3) Yes, the inspectors conducted an exit interview and discussed any issues with the operators.
- (4) Yes, the inspectors concluded the inspection with an exit interview. A final exit interview is conducted with the operator when yearly inspection is completed.
- (5) Yes, completed as necessary

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:

- (1) No probable violations found during the inspection.
- (2) Yes, the inspector had an issue with atmospheric corrosion which he notified the operator and needed further documentation of the corrective action performed.
- (3) Yes, the inspectors identified several probable violations with the operator. The probable violations were discussed with the operator at the end of the inspection.
- (4) There were no issues/probable violations identified during the inspection.
- (5) N/A

10	General Comments: 1) What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) 2) Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) 3) Other.	Info Only	Info Only
	Info Only = No Points		
	a. Abandonment		<input type="checkbox"/>
	b. Abnormal Operations		<input type="checkbox"/>
	c. Break-Out Tanks		<input type="checkbox"/>
	d. Compressor or Pump Stations		<input type="checkbox"/>

e.	Change in Class Location	<input type="checkbox"/>
f.	Casings	<input type="checkbox"/>
g.	Cathodic Protection	<input checked="" type="checkbox"/>
h.	Cast-iron Replacement	<input type="checkbox"/>
i.	Damage Prevention	<input type="checkbox"/>
j.	Deactivation	<input type="checkbox"/>
k.	Emergency Procedures	<input checked="" type="checkbox"/>
l.	Inspection of Right-of-Way	<input type="checkbox"/>
m.	Line Markers	<input checked="" type="checkbox"/>
n.	Liaison with Public Officials	<input type="checkbox"/>
o.	Leak Surveys	<input checked="" type="checkbox"/>
p.	MOP	<input type="checkbox"/>
q.	MAOP	<input checked="" type="checkbox"/>
r.	Moving Pipe	<input type="checkbox"/>
s.	New Construction	<input checked="" type="checkbox"/>
t.	Navigable Waterway Crossings	<input type="checkbox"/>
u.	Odorization	<input type="checkbox"/>
v.	Overpressure Safety Devices	<input 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 type="checkbox"/>
G.	OQ - Operator Qualification	<input checked="" type="checkbox"/>
H.	Compliance Follow-up	<input type="checkbox"/>
I.	Atmospheric Corrosion	<input checked="" type="checkbox"/>
J.	Other	<input type="checkbox"/>

Evaluator Notes:

(2) The inspector reviewed overpressure protection inspection records. Records reviewed included the condition of pipe which included atmospheric corrosion monitoring.

(3) Inspectors reviewed procedures ,records and conducted a field inspection of ConEdison Astoria LNG Facility.

(4) Inspectors reviewed OQ records, new construction procedures, leak survey procedures and regulator installation procedures.

(5) General Construction review in Albany and Schenectady, and Emergency Response to possible leak in Schenectady

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

PART H - Interstate Agent State (If Applicable)**Points(MAX) Score**

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

Evaluator Notes:

Per information received from Eastern Region - Marta Reindeau, no issues with program for these activities.

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

Evaluator Notes:

Per information received from Eastern Region - Marta Reindeau, no issues with program for these activities.

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

Evaluator Notes:

Per information received from Eastern Region - Marta Reindeau, no issues with program for these activities.

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

Evaluator Notes:

Per information received from Eastern Region - Marta Reindeau, no issues with program for these activities.

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

Evaluator Notes:

Per information received from Eastern Region - Marta Reindeau, no issues with program for these activities.

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

Evaluator Notes:

Per information received from Eastern Region - Marta Reindeau, no issues with program for these activities.

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

Evaluator Notes:

Per information received from Eastern Region - Marta Reindeau, no issues with program for these activities.

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

Evaluator Notes:

Per information received from Eastern Region - Marta Reindeau on 7/27/17. NYPSC has been responsive and no issues with interstate agent cooperation

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

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

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

This section is not applicable

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