

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

## 2016 Gas State Program Evaluation

for

PENNSYLVANIA PUBLIC UTILITY 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:** Pennsylvania

**Agency Status:**

**Date of Visit:** 05/16/2017 - 05/18/2017

**Agency Representative:** Paul J. Metro, Chief Engineer, Gas Safety Division

**PHMSA Representative:** Jim Anderson

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

**Name/Title:** Gladys M. Brown, Chairman

**Agency:** Pennsylvania Public Utility Commission

**Address:** PO Box 3265

**City/State/Zip:** Harrisburg, PA 17105-3265

**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 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
47	46
15	15
11	11
8	8
12	12
0	0
0	0

### TOTALS

**116 115**

**State Rating** .....

**99.1**

## PART A - Progress Report and Program Documentation Review

Points(MAX) Score

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

Evaluator Notes:

Conducted a review of PA PUC 2016 Natural Gas Base Grant Progress Report Attachment 1. PA Act 127 extends the PUC jurisdiction over public utilities and the PUC is looking into more master meter operators coming under their jurisdiction.

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

Evaluator Notes:

Conducted a review of PA PUC 2016 Natural Gas Base Grant Progress Report Attachment 2. The information is stored on the Divisions Activities Sheets and complied to show how many inspection days were completed under each category. No issues were found.

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

Evaluator Notes:

Conducted a review of PA PUC 2016 Natural Gas Base Grant Progress Report Attachment 3. No issues found.

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

Evaluator Notes:

There were 7 reportable incident in the state in 2016 and the reports can be found in the CAI database. Cross checked the number of reportable incidents on Pipeline DataMart. Number listed on Pipeline DataMart - 7.

No issues.

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

Evaluator Notes:

The compliance actions are kept in an Excel spreadsheet and show letters and complaints issued in 2016. The closed letters are kept under a word document and show what letters were closed, the date closed, and the number of violations corrected. The fines assessed and collected are kept under a separate document.

No issues.

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

Evaluator Notes:

All inspection records are kept under the Divisions CAI Inspection database. B. Biggard maintains records of Non Compliance records that are issued or closed.

Staff was able to obtain any inspection report or compliance action requested.

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

Evaluator Notes:

Individuals and their percent of time on the gas safety program is noted under Attachment 7. TQ training of individuals were verified with TQ SABA website.

No issues

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

Evaluator Notes:

The PA PUC rules provide for automatic adoption of federal regulation amendments. All amendments up to date.

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<b>9</b>	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:

Yes. No issues.

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<b>10</b>	General Comments:	Info Only	Info Only
	Info Only = No Points		

Evaluator Notes:

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



## PART B - Program Inspection Procedures

Points(MAX) Score

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

Yes = 2 No = 0 Needs Improvement = 1

### Evaluator Notes:

Standard inspection procedures were located in the Pennsylvania Public Utility Commission Gas Safety Inspector Handbook on page 33. Inspection protocols are listed on page 14 and Pre and Post inspection instructions are on page 13 that outline the steps for all inspections completed by the Division.

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

Gas IMP inspection procedures were located in the Pennsylvania Public Utility Commission Gas Safety Inspector Handbook on page 20. DIMP inspection procedures were located on page 18. Inspection protocols are listed on page 14 and Pre and Post inspection instructions are on page 13 that outline the steps for all inspections completed by the Division.

- |   |  |   |   |
|---|--|---|---|
| 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 inspection procedures were located in the Pennsylvania Public Utility Commission Gas Safety Inspector Handbook on page 25. Inspection protocols are listed on page 14 and Pre and Post inspection instructions are on page 13 that outline the steps for all inspections completed by the Division.

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

Damage Prevention inspection procedures were located in the Pennsylvania Public Utility Commission Gas Safety Inspector Handbook on page 24-25. Inspection protocols are listed on page 14 and Pre and Post inspection instructions are on page 13 that outline the steps for all inspections completed by the Division.

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

Yes = 1 No = 0 Needs Improvement = .5

### Evaluator Notes:

Operator Training inspection activities procedures were located in the Pennsylvania Public Utility Commission Gas Safety Inspector Handbook on page 9. Inspection protocols are listed on page 14 and Pre and Post inspection instructions are on page 13 that outline the steps for all inspections completed by the Division.

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

Construction inspection procedures were located in the Pennsylvania Public Utility Commission Gas Safety Inspector

Handbook. Plastic pipe construction is found on page 26, steel pipe construction is found on page 29 and Compressor Station Construction is found on page 16. Inspection protocols are listed on page 14 and Pre and Post inspection instructions are on page 13 that outline the steps for all inspections completed by the Division.

7	Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements? Yes = 6 No = 0 Needs Improvement = 1-5	6	6
a.	Length of time since last inspection (Within five year interval)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
b.	Operating history of operator/unit and/or location (includes leakage, incident and compliance activities)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
c.	Type of activity being undertaken by operators (i.e. construction)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
d.	Locations of operators inspection units being inspected - (HCA's, Geographic areas, Population Density, etc)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
e.	Process to identify high-risk inspection units that includes all threats - (Excavation Damage, Corrosion, Natural Forces, Outside Forces, Material and Welds, Equipment, Operators and any Other Factors)	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
f.	Are inspection units broken down appropriately?	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>

Evaluator Notes:

PA PUC used both risk base and time intervals for scheduling inspection. All types of inspections are performed within a 5 year time frame. Records show most are performed annually.

8 General Comments:

Info Only Info Only

Info Only = No Points

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):  
1322.00

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):  
220 X 10.63 = 2339.33

Ratio: A / B  
1322.00 / 2339.33 = 0.57

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

Evaluator Notes:

.57 ratio exceeds needed .38 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 4  
Yes = 5 No = 0 Needs Improvement = 1-4

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

- A. Needs improvement - Israel Gray and Matt Matse both lead OQ inspections with out completing the OQ WBT or PL3622.  
B. Yes, a review of SABA transcript confirmed inspectors have completed DIMP/IMP course before conducting an inspection as lead.  
C. Yes, inspectors have completed the root cause course.  
D. Inspectors attended the EGCR in May 2016, AUCSC in May of 2016, and AGMSC in Robert Morris in August 2016.  
E. Yes. A review of files found inspectors who performed standard inspections were qualified for the type of inspection assigned to them.

- 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, Paul Metro has over 15 years of experience in Pipeline Safety and has demonstrated excellent knowledge about the pipeline safety regulations and certification 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 NA  
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

No response requested from 2015 evaluation.

- 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, the last pipeline safety seminar was conducted in State College, Pennsylvania on September 9 - 10, 2016. There were over 300 participants in attendance at the seminar.

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

Evaluator Notes:

Yes, the PA PUC use a combination of procedures and risk ranking to inspect the operators and inspection units. Procedures state not to exceed 5 years, but conducted annually or 2/3 years.

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

Evaluator Notes:

Yes, the PA PUC uses the Federal Inspection Forms. The review of files confirmed all sections of the federal inspection forms were completed.

41 forms are used over 5 year period to cover Part 192, 193, 193 and 199.

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

Evaluator Notes:

Yes, this item is accomplished by a letter to all operators in the first quarter of each year. The Formal Letter (FL 1-17) lists this question. A review of FL 1-17 dated February 2, 2017 confirmed this item was listed. PA PUC reviews and tabulates data from the letters on cast iron and uses this in their risk ranking.

Have copy of Formal Letter FL 1-17.

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

Evaluator Notes:

Yes, this item is accomplished by a letter to all operators in the first quarter of each year. The Formal Letter (FL 1-17) lists this question. A review of FL 1-17 dated February 2, 2017 confirmed this item was listed. PA PUC reviews and tabulates data from the letters on cast iron and uses this in their risk ranking.

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

Evaluator Notes:

Yes, this item is accomplished by a letter to all operators in the first quarter of each year. The Formal Letter (FL 1-17) lists this question. A review of FL 1-17 dated February 2, 2017 confirmed this item was listed. PA PUC reviews and tabulates data from the letter under item number 6.

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

Evaluator Notes:

Yes. This item is described in PA PUC Gas Safety Handbook. Leak response is tracked on 3rd Party Damage Inspection , Leak verification, and Leak survey forms. All incident response times are captured in the Leak Investigation/Complaint



forms.  
28 reviewed in 2016.

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

Evaluator Notes:

Yes. PA PUC staff members review the operator's annual reports and record results into a risk assessment spreadsheet. During field inspections, the inspector will review the annual report with the operator.  
Reviewed spreadsheet .

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- |           |   |   |   |
|-----------|---|---|---|
| <b>13</b> | 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.<br>Chapter 5.1<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|

Evaluator Notes:

All OQ, DIMP/IMP inspections have been entered into the database for 2016.  
Reviewed database for verification.

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

Evaluator Notes:

Yes. This item is accomplished by Formal Letter FL 1-17 to all operators under the first quarter of each year.

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

Evaluator Notes:

Yes. This item is accomplished by Formal Letter FL 1-17 to all operators under the first quarter of each year. This item is also reviewed with the operator during drug and alcohol inspections using the PHMSA form.

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

Evaluator Notes:

Yes. This item is listed in the PA PUC Gas Safety Inspector Handbook, OQ (Operator Qualification) Inspections, Page 25. Conducted 4 inspections in 2016.

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

Evaluator Notes:

Yes. This item is listed in the PA PUC Gas Safety Inspector Handbook, Page 20, IMP Inspections. They use the federal inspection form in verifying the operator's compliance along with their state inspection form, Pipeline Integrity Field. Scheduled annually going forward.

- 18** Is state verifying operator's gas distribution integrity management Programs (DIMP)? 2 2  
This should include a review of DIMP plans, along with monitoring progress. In addition, the review should take in to account program review and updates of operators plan(s). (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

Evaluator Notes:

Yes. This is performed on the DIMP Federal Form.

- 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. This item is accomplished by the FL 1-17 letter to all operators in the first quarter of each year.

- 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. The PA PUC continues to hold monthly meeting with company officials about safety related items and general discussions on improvements with the safe transportation of natural gas.

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

Evaluator Notes:

Yes. Safety Related Condition Reports are reviewed and follow-up by PA PUC Inspectors.

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

Evaluator Notes:

Yes. This item is accomplished by form letter FL 1-17 to all operators in the first quarter of each year.

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

Evaluator Notes:

Yes. There is currently one special permit wavier that is active dated 3/20/15 for Johnstown Regional Energy use of Fiberspar pipe.

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

Evaluator Notes:

Yes. Paul Metro attended the 2016 NAPS National Meeting.

- 26** Discussion on State Program Performance Metrics found on Stakeholder Communication site - <http://primis.phmsa.dot.gov/comm/states.htm> 2 2  
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:

Yes. The website has been reviewed and the state agrees with the information presented.

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

Evaluator Notes:

Discussed the State Inspection Day Tool with program manager and reviewed PA PUC spreadsheet of calculations.

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

Evaluator Notes:

- 29** General Comments: Info Only Info Only  
Info Only = No Points

Evaluator Notes:

Total points scored for this section: 46  
Total possible points for this section: 47



## PART D - Compliance Activities

Points(MAX) Score

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

### Evaluator Notes:

- A. Yes. This is listed in the PA PUC Gas Safety Inspector Handbook written procedures, under Enforcement Procedures, Pages 36-37.
- B. Yes. This item is listed in the PA PUC Gas Safety Inspector Handbook under Non-Compliance Follow Up Procedures, Page 22.

- |          |  |   |   |
|----------|--|---|---|
| <b>2</b> | Did the state follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? Chapter 5.1<br>Yes = 4 No = 0 Needs Improvement = 1-3 | 4   | 4                                       |
| a.       | Were compliance actions sent to company officer or manager/board member if municipal/government system?  | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b.       | 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:

- A. A review of Notice of Probable Violation letters CY 2016 found 29 Letters, 2 complaints, and 1 letter that turned into a complaint.
- B. Yes. Letters contained all violations were listed with detailed information in the letters.
- C. Yes. Probable violations were corrected.
- D. Yes. PA PUC Administrative Assistant routinely reviews all probable violations cited and discuss action to correct with each Engineer. This is checked on a monthly time schedule.
- E. There is a comment on compliance actions about enforcement "This office is committed to ensuring that all natural gas companies comply with the provisions of the Public Utility Code. Therefore, you are advised that, if you fail to comply with the above requests this office will initiate all appropriate enforcement actions pursuant to the Public Utility Code against the utility and its officers, agents and employees."

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

### Evaluator Notes:

- Did the state issue compliance actions for all probable violations discovered?  
(Yes= 2 points, No= 0 Points, NI=1 point)
- Comments: Yes. A review of inspection reports and letters confirm compliance action was taken by the Gas Safety Division. This is demonstrated in the 32 compliance actions taken in CY 2016.
- Reviewed all 32 compliance actions.

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

### Evaluator Notes:

Yes. Review of letters and procedures confirm the Gas Safety Division is providing the operator due process as listed under the Enforcement Procedures, Non Compliance Letters, Page 36.

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

Evaluator Notes:

Yes, Paul Metro, Manager of Gas Safety is familiar with imposing civil penalties. In CY 2016, 32 compliance actions were taken and \$1,773,055 was issued in penalties against operators.

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

Evaluator Notes:

Yes, information on PA PUC 2015 and 2016 Progress Report, Attachment 5, show enforcement fining authority was used. \$1,900,000 was collected in penalties against operators in 2016.

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

Evaluator Notes:

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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:

Yes. PA PUC Gas Safety Inspector Handbook, Non Reportable Failure Investigation, Page 23 and Reportable Failure Investigations on Pages 27 -28.

- 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:

Yes. PA PUC Staff and Program Manager are aware of the MOU Between NTSB and PHMSA.

Yes, PA PUC staff and Program Manager are familiar with Appendix E on the the Federal/State Cooperation in case of incidents/accidents.

All operators have PA PUC staff contact information.

- 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:

All reportable and non-reportable incidents are investigated by PA PUC staff regardless it the operator considers the incident as non-reportable.

- 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:

Yes. The investigation of 7 incident that occurred in CY 2016 was conducted.

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

Yes = 1 No = 0

Evaluator Notes:

There were violations that resulted from the reportable incidents, the NFG Meadville and the Bath, PA incident.

- 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:

Yes. PA PUC staff members coordinated information about the incident to PHMSA Eastern Region Office.

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

Evaluator Notes:

Yes. Paul Metro continues to share the results of PA PUC's incident investigation in 2016 with NAPS SR members at the 2016 Eastern Meeting.

8 General Comments:

Info OnlyInfo Only

Info Only = No Points

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

Evaluator Notes:

Yes. This item is addressed by Formal Letter FL 1-17 question 10 to all operators in the first quarter of each year. Additionally, all operators responses are reviewed by PA PUC inspectors for compliance.

Have copy of Formal Letter FL 1-17.

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

Evaluator Notes:

Yes. This item is addressed in PA PUC Gas Safety Inspector Handbook under the inspection type forms - One Call Verification, facility Damages and Construction.

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

Evaluator Notes:

Yes. This item is reviewed and discussed with operators at the annual PA PUC Pipeline Safety Seminar.

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

Evaluator Notes:

Yes. The PA PUC Gas Safety Division continues to collect data on trends and the number of pipeline damages per 1,000 locate requests and posts the results on the PA PUC website. This is collected by form letter FL 1-17. In CY 2015, the pipeline damage ratio per 1,000 locate requests was 3.1 percent. The number decreased from 2014 to 2015. The highest recorded ratio of 8.2 occurred in 2005.  
Reviewed data during the evaluation.

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

Evaluator Notes:

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



## PART G - Field Inspections

Points(MAX) Score

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

Name of Operator Inspected:

See notes

Name of State Inspector(s) Observed:

See notes

Location of Inspection:

See notes

Date of Inspection:

See notes

Name of PHMSA Representative:

Jim Anderson

Evaluator Notes:

- (1) Columbia Gas of Pennsylvania-Sunil Patel-York-5/18/2017
- (2) Columbia Gas of Pennsylvania-Sunil Patel-York-5/18/2017
- (3) Philadelphia Gas Works-Sunil Patel-Philadelphia-8/29/2017
- (4) PECO-Rob Horensky-Upper Darby Township-8/30/2017
- (5) UGI-Terry Cooper Smith-Oxford-8/31/2017

- 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
- (2) Yes
- (3) Yes
- (4) Yes
- (5) Yes

- 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
- (2) Yes
- (3) Yes
- (4) Yes
- (5) Yes

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

Evaluator Notes:

- (1) Yes
- (2) Yes
- (3) Yes
- (4) Yes
- (5) Yes

- 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

- (2) Yes
- (3) Yes
- (4) Yes
- (5) Yes

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

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

Evaluator Notes:

- (1) Yes
- (2) Yes
- (3) Yes
- (4) Yes
- (5) Yes

All PA PUC inspectors were highly knowledgeable on pipeline safety regulations and conducted professional inspections.

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

Evaluator Notes:

- (1) Yes
- (2) Yes
- (3) Yes
- (4) Yes
- (5) Yes

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

Evaluator Notes:

- (1) NA
- (2) NA
- (3) NA
- (4) Yes-Operator violated own procedures by not noting pipe size on locate markouts
- (5) Yes-No signs on regulator station fencing

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

- 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:

Rob Horensky, PUC inspector, conducted one of the best inspections I have witnessed. Not only was he knowledgeable in the safety regulations, his interaction with the operator was very professional.

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

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

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

Evaluator Notes:  
NA

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

Evaluator Notes:  
NA

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

Evaluator Notes:  
NA

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

Evaluator Notes:  
NA

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

Evaluator Notes:  
NA

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

Evaluator Notes:  
NA

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

Evaluator Notes:

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

Evaluator Notes:

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

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

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

Evaluator Notes:

NA

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

Evaluator Notes:

NA

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

Evaluator Notes:

NA

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

Evaluator Notes:

NA

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

Evaluator Notes:

NA

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

Evaluator Notes:

NA

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

Evaluator Notes:

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