

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

## 2016 Gas State Program Evaluation

for

VERMONT DEPARTMENT OF PUBLIC SERVICE

### 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:** Vermont

**Rating:**

**Agency Status:**

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

**Date of Visit:** 07/11/2017 - 07/13/2017

**Agency Representative:** GC Morris - Program Manager, Bill Jordan - Engineering Manager, Michelle LaPerle - Assistant

**PHMSA Representative:** Rex Evans

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

**Name/Title:** Ms. June Tierney, Commissioner  
**Agency:** Vermont Public Service Department  
**Address:** 112 State Street  
**City/State/Zip:** Montpelier, VT 05620

**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**

<b>PARTS</b>		<b>Possible Points</b>	<b>Points Scored</b>
A	Progress Report and Program Documentation Review	10	9
B	Program Inspection Procedures	13	13
C	Program Performance	45	34
D	Compliance Activities	15	9
E	Incident Investigations	5	5
F	Damage Prevention	8	8
G	Field Inspections	11	10
H	Interstate Agent State (If Applicable)	0	0
I	60106 Agreement State (If Applicable)	0	0
<b>TOTALS</b>		<b>107</b>	<b>88</b>
<b>State Rating</b>	.....		<b>82.2</b>

# 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 Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:  
Found no issues with data reported

<b>2</b>	Review of Inspection Days for accuracy - Progress Report Attachment 2 Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:  
Inspection day information appears to be reported correctly from spreadsheet on inspection days

<b>3</b>	Accuracy verification of Operators and Operators Inspection Units in State - Progress Report Attachment 3 Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:  
Operators and units appear ok

<b>4</b>	Were all federally reportable incident reports listed and information correct? - Progress Report Attachment 4 Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:  
No incidents, no issues

<b>5</b>	Accuracy verification of Compliance Activities - Progress Report Attachment 5 Yes = 1 No = 0 Needs Improvement = .5	1	0
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Evaluator Notes:  
Continued issue with accuracy of data, due to time frames of compliance activities being issued no way to tell what is still valid or pending. See compliance section. No points

<b>6</b>	Were pipeline program files well-organized and accessible? - Progress Report Attachment 6 Yes = 2 No = 0 Needs Improvement = 1	2	2
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Evaluator Notes:  
Although most inspection forms were incomplete, all of files were well organized and accessible in the program electronic files.

<b>7</b>	Was employee listing and completed training accurate and complete? - Progress Report Attachment 7 Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:  
No issues with training listed

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



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

Evaluator Notes:  
No issues

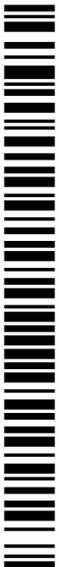
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10 General Comments: Info Only Info Only  
Info Only = No Points

Evaluator Notes:

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



# PART B - Program Inspection Procedures

Points(MAX) Score

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Standard inspection elements are generally covered in the program procedures. Pre-inspection, Inspection, and Post-Inspection activities

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

The procedures generally cover time frames and inspection forms.

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

Generally covered on what inspection forms are used and time frames.

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

Included as part of standard inspection on operators.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Generally outlined, as needed only.

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

This is part of procedures, some enhancement is recommended. Recommend looking at other programs plastic construction checklists in order to focus on concise details.

- |   |                                                                                                                                   |   |   |
|---|-----------------------------------------------------------------------------------------------------------------------------------|---|---|
| 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  No  Needs Improvement

- b. Operating history of operator/unit and/or location (includes leakage, incident and compliance activities) Yes  No  Needs Improvement
- c. Type of activity being undertaken by operators (i.e. construction) Yes  No  Needs Improvement
- d. Locations of operators inspection units being inspected - (HCA's, Geographic areas, Population Density, etc) Yes  No  Needs Improvement
- e. Process to identify high-risk inspection units that includes all threats - (Excavation Damage, Corrosion, Natural Forces, Outside Forces, Material and Welds, Equipment, Operators and any Other Factors) Yes  No  Needs Improvement
- f. Are inspection units broken down appropriately? Yes  No  Needs Improvement

Evaluator Notes:

Priorities and various factors are listed on Page 6-7 of procedures. As previously noted Vermont has a small operator base and unit breakdown does not appear to be an issue

**8** General Comments:

Info Only = No Points

Info Only Info 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):  
 173.00  
 B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):  
 220 X 1.17 = 256.67  
 Ratio: A / B  
 173.00 / 256.67 = 0.67  
 If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0  
 Points = 5

Evaluator Notes:

Inspection days were met, 126 days were on DTC on Vermont Gas

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

Evaluator Notes:

All training appears completed. Again recommend taking new LPG class

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

Evaluator Notes:

Due to the overall lack of improvement and progress on program activities, deducting one point on this question

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

Evaluator Notes:

Letter was received, but deficiencies have still not 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:

Participates in New England combined conference.

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

Evaluator Notes:



No points given for this category, it was found only one inspection in the previous calendar year is complete and although most operators visited - inspection reports are incomplete and full inspections have failed to be conducted.

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<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 Yes = 2 No = 0 Needs Improvement = 1	2	0
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Evaluator Notes:  
Continued issued as in past inspection reports are incomplete and virtually no progress has been made.

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<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 Yes = 1 No = 0	1	NA
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Evaluator Notes:  
No cast iron

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<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 Yes = 1 No = 0	1	NA
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Evaluator Notes:  
No cast iron

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<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 Yes = 1 No = 0	1	1
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Evaluator Notes:  
Giving full points since part of checklist, although complete checklists for all operators is still pending

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<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 Yes = 1 No = 0	1	1
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Evaluator Notes:  
This is standard part of checklist, notes above apply to this also.

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<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? Yes = 2 No = 0 Needs Improvement = 1	2	2
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Evaluator Notes:  
Annual report data is collected. Only one primary distribution operator

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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. Chapter 5.1 Yes = 2 No = 0 Needs Improvement = 1	2	2
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Evaluator Notes:  
The inspections that have been completed have been uploaded.

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

Evaluator Notes:  
Vermont Gas only, ok.

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

Evaluator Notes:  
VGS complete. Acceptable.

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

Evaluator Notes:  
Improvement needed, LPG operators Jack Corse and Keyser Energy still outstanding and need follow up.

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

Evaluator Notes:  
Marking needing improvement as partial inspections done and none fully complete. VGS is only transmission operator. Also again recommend placing in procedures what is going to happen with IMP on an annual basis.

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

Evaluator Notes:  
Inspection records show all complete. Again recommend annual sit down with VGS

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:  
All public awareness plans appear to have been done as noted in previous inspection.

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:

Website went through changes and minimal information available. Recommended viewing state of Connecticut site to help enhance what they are making public.

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

Evaluator Notes:  
None

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

Evaluator Notes:  
VGS participates in Plastic Pipe Database submissions according to AGA site.

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

Evaluator Notes:  
No issues known

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

Evaluator Notes:  
According to VTDPS staff no waivers are present.

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

Evaluator Notes:  
Yes

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

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

Evaluator Notes:  
Discussed meaningful metrics. Most trends showed nothing significant other than compliance metric where improvement is needed, see Part D of evaluation.

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

Evaluator Notes:  
due to limited number of operators, it appears overall inspection day total is reasonable

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

Evaluator Notes:

N/A

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

Info Only|Info Only

Evaluator Notes:

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Total points scored for this section: 34  
Total possible points for this section: 45



# 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<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:

Procedures are in place, there is a compliance flow chart in Appendix C of State Procedures.

- |    |                                                                                                                                                                                                                                                                      |                                      |                                                                             |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-----------------------------------------------------------------------------|
| 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<br>Yes = 4 No = 0 Needs Improvement = 1-3 | 4                                    | 0                                                                           |
| 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 type="radio"/>            | No <input checked="" type="radio"/> Needs Improvement <input type="radio"/> |
| c. | Resolve probable violations                                                                                                                                                                                                                                          | Yes <input type="radio"/>            | No <input checked="" type="radio"/> Needs Improvement <input type="radio"/> |
| d. | Routinely review progress of probable violations                                                                                                                                                                                                                     | Yes <input type="radio"/>            | No <input checked="" 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:

Continued issue again this year, only one letter went out again in CY2016. There is a problem with compliance issues and all reports in general getting completed by staff. Zero points due to unacceptable actions in this area.

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

Evaluator Notes:

No, again have not been followed through and brought up to date. Compliance issues still pending and unacceptable actions being taken.

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

Evaluator Notes:

No issues with reasonable due process on whatever action has been taken.

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

Evaluator Notes:

The process is there, just very few actions being taken.

- |   |                                                                                                                                                   |   |   |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| 6 | 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:

VGS paid fine from 2016 compliance action of \$95000, paid in CY2017



7 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

Significant improvement is needed in timeliness of compliance actions and completion of report documentation.

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Total points scored for this section: 9  
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:

There are procedures in place. Fortunately state does not experience many incidents, recommend reaching out for assistance should any incident occur to make sure all elements of incident are covered.

**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:

No issues

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

Evaluator Notes:

No incidents in CY16

**4** Were all incidents investigated, thoroughly documented, and with conclusions and recommendations? **3** **NA**  
Yes = 3 No = 0 Needs Improvement = 1-2

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

Evaluator Notes:

No incidents in CY16, N/A

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

Evaluator Notes:

N/A No incidents in CY16

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

Evaluator Notes:

N/A no incidents in CY16

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

Evaluator Notes:



Region report given although nothing to share regarding incidents

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**8** General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

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Total points scored for this section: 5  
Total possible points for this section: 5



# PART F - Damage Prevention

Points(MAX) Score

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- |          |                                                                                                                                                                                                                                                                                                |   |   |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| <b>1</b> | 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:  
VGS procedures ok, no issues

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

Evaluator Notes:  
Part of checklist, no issues with limited operators

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- |          |                                                                                                                                                                                                                                                                            |   |   |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| <b>3</b> | 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:  
Al St. Peter VTDPS staff (retired now) and GC take part in State promotion. Bill Jordan also involved now.

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

Evaluator Notes:  
Part of metrics, stats are collected for them.

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

Evaluator Notes:

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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:  
 Vermont Gas Systems  
 Name of State Inspector(s) Observed:  
 GC Morris  
 Location of Inspection:  
 Bittersweet Lane, Jericho, VT  
 Date of Inspection:  
 07/13/2017  
 Name of PHMSA Representative:  
 Rex Evans

Evaluator Notes:  
 Observed 2" Main installation via directional drilling at this location. This was extension to provide gas service to new homes under construction at this location.

**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:  
 Operator was present at construction site.

**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:  
 Staff used Daily Inspection report along with OQ Field Form 15 as guide to inspection. I requested and received completed inspection form by 7/28/2017 and received initial inspection form 07/27/2017

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

Evaluator Notes:  
 Original report received included information regarding butt fusion of materials that were not used in construction and irrelevant to the project. Improvement needed to ensure accurate and concise details are documented on projects reviewed.

**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:  
 There were no issues found

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

- a. Procedures
- b. Records
- c. Field Activities
- d. Other (please comment)

Evaluator Notes:  
 This was a very straightforward construction project and adequate review was completed of the project for the time period on site.



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

Evaluator Notes:

Adequate knowledge exists, inspector just needs to work on concise and timely documentation.

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:

Exit review was documented taking place on 7/18/17

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

Evaluator Notes:

No violations

10 General Comments: 1) What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) 2) Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) 3) Other. Info Only Info Only

Info Only = No Points

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



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

Evaluator Notes:

New construction, primarily directional drilling of 2" plastic main

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Total points scored for this section: 10  
Total possible points for this section: 11



**PART H - Interstate Agent State (If Applicable)**

**Points(MAX) Score**

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

Not an interstate agent

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



**PART I - 60106 Agreement State (If Applicable)**

**Points(MAX) Score**

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

