



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

1200 New Jersey Avenue SE  
Washington DC 20590

# 2013 Hazardous Liquid State Program Evaluation

for

VIRGINIA STATE CORPORATION 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 -- Accident Investigations
- F -- Damage Prevention
- G -- Field Inspections
- H -- Interstate Agent State (if applicable)
- I -- 60106 Agreement State (if applicable)

2013 Hazardous Liquid State Program Evaluation -- CY 2013  
Hazardous Liquid

**State Agency:** Virginia

**Agency Status:**

**Date of Visit:** 05/19/2014 - 05/23/2014

**Agency Representative:** Massoud Tahamtani, Director of Utility & Railroad Safety  
Jim Hotinger, Assistant Director of Utility & Railroad Safety  
Drew Eaken, Senior Utilities Engineer  
James Fisher, Senior Utilities Engineer

**PHMSA Representative:** Glynn Blanton, USDOT/PHMSA State Programs

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

**Name/Title:** Judith W. Jagdmann, Chairman  
**Agency:** Virginia State Corporation Commission  
**Address:** Tyler Building, P.O. Box 1197  
**City/State/Zip:** Richmond, Virginia 232218

**Rating:**

**60105(a):** Yes **60106(a):** Yes **Interstate Agent:** Yes

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**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 2013 (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.

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**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	9	9
B Program Inspection Procedures	15	15
C Program Performance	42	42
D Compliance Activities	15	15
E Accident Investigations	4	4
F Damage Prevention	8	8
G Field Inspections	12	12
H Interstate Agent State (if applicable)	3	3
I 60106 Agreement State (if applicable)	0	0
<b>TOTALS</b>	<b>108</b>	<b>108</b>
<b>State Rating .....</b>		<b>100.0</b>

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## PART A - Progress Report and Program Documentation Review

Points(MAX) Score

- |  | Points(MAX) | Score |
|--|-------------|-------|
| <b>1</b> Accuracy of Jurisdictional Authority and Operator/Inspection Units Data - Progress Report Attachment 1 (A1a)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1           | 1     |

**Evaluator Notes:**

Yes, a review of Attachment 1 found the information was correct with the number of operators and inspection units. Information on Attachment 1 is consistent with Attachment 3 on total number of units. No areas of concern.

- |   |   |   |
|---|---|---|
| <b>2</b> Review of Inspection Days for accuracy - Progress Report Attachment 2 (A1b)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|---|---|

**Evaluator Notes:**

Reviewed office records with Attachment 2 and found inspection days were correct. No issues.

- |   |   |   |
|---|---|---|
| <b>3</b> Accuracy verification of Operators and Operators Inspection Units in State - Progress Report Attachment 3 (A1c)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|---|---|

**Evaluator Notes:**

Verification of the five operators: Colonial Pipeline Company, Kinder Morgan Southeast Terminals, NcStar Energy, Plantation Pipeline Company and Transmontaigne Terminating found the information correct. No issues.

- |   |   |    |
|---|---|----|
| <b>4</b> Were all federally reportable incident reports listed and information correct? - Progress Report Attachment 4 (A1d)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|---|---|----|

**Evaluator Notes:**

No reportable incidents occurred in CY2013.

- |   |   |   |
|---|---|---|
| <b>5</b> Accuracy verification of Compliance Activities - Progress Report Attachment 5 (A1e)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|---|---|

**Evaluator Notes:**

A review of files found the violations cited and penalty amounts assessed and collected were incorrectly entered in the 2012 Progress Report. The operator NuStar Terminals Operations Partnership LP was cited in CY2012 but the case was settled in CY2013.

- |  |   |   |
|--|---|---|
| <b>6</b> Were pipeline program files well-organized and accessible? - Progress Report Attachment 6 (A1f, A4)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|--|---|---|

**Evaluator Notes:**

Yes, a review of files found inspection reports were well organized and accessible. No issues.

- |   |   |   |
|---|---|---|
| <b>7</b> Was employee listing and completed training accurate and complete? - Progress Report Attachment 7 (A1g)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|---|---|

**Evaluator Notes:**

Yes, a review of employees listed on attachment 7 was checked with TQ transcripts on courses completed by individuals. All information posted was correct and no issues of concerns were found.

- |  |   |   |
|--|---|---|
| <b>8</b> Verification of Part 195,198,199 Rules and Amendments - Progress Report Attachment 8 (A1h)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|--|---|---|

**Evaluator Notes:**

VSCC has automatic adoptions of regulations. No issues of concern.

- 9** List of Planned Performance - Did state describe accomplishments on Progress Report in detail - Progress Report Attachment 10 (H1-3) 1 1  
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

A review of Attachment 10 found the planned and past performance description was accurate. No areas of concern.

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

Evaluator Notes:

No loss of points occurred in this section. VSCC has generally met the requirements of Part A.

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

## PART B - Program Inspection Procedures

Points(MAX)    Score

- |   |   |   |
|---|---|---|
| <b>1</b> Standard Inspections (B1a)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|

Evaluator Notes:

Yes, this item is listed on pages 9 & 14 of the VSCC Pipeline Safety Program Procedures Manual.

- |   |   |   |
|---|---|---|
| <b>2</b> IMP Inspections (B1b)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|---|---|

Evaluator Notes:

Yes, IMP inspections are listed in VSCC Pipeline Safety Program Procedures Manual on page 9. This type of inspection is scheduled every four years.

- |  |   |   |
|--|---|---|
| <b>3</b> OQ Inspections (B1c)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|--|---|---|

Evaluator Notes:

Yes, OQ inspections are listed in VSCC Pipeline Safety Program Procedures Manual on pages 9, 14 & 15. This type of inspection is scheduled annually.

- |   |   |   |
|---|---|---|
| <b>4</b> Damage Prevention Inspections (B1d)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|---|---|

Evaluator Notes:

Yes, Damage Prevention Inspections are listed in VSCC Pipeline Safety Program Procedures Manual on page 13. This type of inspection is scheduled during the standard inspection.

- |   |   |   |
|---|---|---|
| <b>5</b> On-Site Operator Training (B1e)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|---|---|

Evaluator Notes:

Yes, this item is listed in VSCC Pipeline Safety Program Procedures Manual on page 13.

- |  |   |   |
|--|---|---|
| <b>6</b> Construction Inspections (B1f)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|--|---|---|

Evaluator Notes:

Yes, this is listed in VSCC Pipeline Safety Program Procedures on pages 8 & 9.

- |   |   |   |
|---|---|---|
| <b>7</b> Incident/Accident Investigations (B1g)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|

Evaluator Notes:

Yes, this item is provided in VSCC Pipeline Safety Program Procedures in Appendix 8. No areas of concern.

- |  |   |   |
|--|---|---|
| <b>8</b> Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements? (B2a-d, G1,2,4)<br>Yes = 6 No = 0 Needs Improvement = 1-5 | 6 | 6 |
|--|---|---|

- |   |                                      |                          |   |
|---|--------------------------------------|--------------------------|---|
| a.    Length of time since last inspection  | 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 area, 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 ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

- A. Yes, this is listed in VSCC Pipeline Safety Program Procedures on page 9.
- B. Yes, this is listed as previous year's inspection records on page 10.
- C. Yes, this is identified on page 10.
- D. Yes, this is listed on page 12.
- E. Yes, this is listed on page 11.
- F. Yes, this is listed on page 10.

Note: VSCC has two jurisdictional intrastate hazardous liquid operators who operate less than 11 miles of pipeline. All operator records are reviewed annually. The interstate pipeline inspection plan is negotiated between VSCC and PHMSA Eastern Region office each year.

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**9** General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

No loss of points occurred in this section. VSCC has generally met the requirements of Part B.

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

**PART C - Program Performance****Points(MAX) Score**

- 1** Was ratio of Total Inspection person-days to total person days acceptable? **5** **5**  
Yes = 5 No = 0

A. Total Inspection Person Days (Attachment 2):  
71.60

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):  
 $220 \times 0.50 = 110.00$

Ratio: A / B  
 $71.60 / 110.00 = 0.65$

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

**Evaluator Notes:**

A. Total Inspection Person Days (Attachment 2) = 71.6

B. Total Inspection Person Days Charged to the program (220\*Number of Inspection person years (Attachment 7) = 110

Formula: - Ratio = A/B =  $71.6/110 = 0.65$

Rule:- (If Ratio  $\geq .38$  then points = 5 else Points = 0.)

Point awarded is 5. No areas of concern.

- 2** Has each inspector and program fulfilled the T Q Training Requirements? (See Guidelines for requirements) Chapter 4.4 (A8-A11, G19) **5** **5**  
Yes = 5 No = 0 Needs Improvement = 1-4

- |    |  |                                      |                          |   |
|----|--|--------------------------------------|--------------------------|---|
| a. | Completion of Required OQ Training before conducting inspection as lead? | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b. | Completion of Required IMP Training before conducting inspection as lead | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c. | Root Cause Training by at least one inspector/prgram 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"/> |

**Evaluator Notes:**

A review of TQ transcripts confirmed VSCC individuals have met the training requirements as listed above.

- 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 (A5) **2** **2**  
Yes = 2 No = 0 Needs Improvement = 1

**Evaluator Notes:**

Yes, Jim Hotinger, Assistant Director has extensive knowledge of the state's safety rules and hazardous liquid regulations. No issues of concern.

- 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 (A6-7) **2** **2**  
Yes = 2 No = 0 Needs Improvement = 1

**Evaluator Notes:**

Yes, Chairman James Dimitri response letter to Zach Barrett was received on July 19, 2013. The response was within the 60 day time requirement. In the letter, Chairman Dimitri addressed the two areas of concern. No issues.

- 5** Did State hold PHMSA TQ Seminar in Past 3 Years? Chapter 8.5 (A3) **2** **2**  
Yes = 2 No = 0

**Evaluator Notes:**

Yes, VSCC held a TQ seminar on October 8-10, 2013 in Virginia Beach, VA at the Hilton Hotel. The number of attendees was 232 consisting of gas and hazardous liquid operators, PHMSA, gas contractors and vendors.

- 6** Did state inspect all types of operators and inspection units in accordance with time intervals established in written procedures? Chapter 5.1 (B3) **5** **5**

Yes = 5 No = 0 Needs Improvement = 1-4

Evaluator Notes:

Yes, a review of inspection reports in PIPES data base and file folders found all operators were reviewed in accordance to VSCC written procedures manual.

- 
- |          |   |   |   |
|----------|---|---|---|
| <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 (B4-5)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

Evaluator Notes:

Yes, VSCC currently use the Federal Inspection forms for all types of inspections. No issues

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- |          |   |   |   |
|----------|---|---|---|
| <b>8</b> | Did the state review operator procedures for determining areas of active corrosion on liquid lines in sufficient detail? (NOTE: PHMSA representative to describe state criteria for determining areas of active corrosion) (B7)<br>Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

Evaluator Notes:

Yes, a review of Nustar Terminal Operations Partnership inspection on December 4, 2013 and TransMontaigne Operating Company inspection on December 18, 2013 confirm VSCC reviewed this item..

- 
- |          |  |   |   |
|----------|--|---|---|
| <b>9</b> | Did the state adequately review for compliance operator procedures for abandoning pipeline facilities and analyzing pipeline accidents to determine their causes? (NOTE: PHMSA representative to describe state criteria for determining compliance with abandoning pipeline facilities and analyzing pipeline accidents to determine their causes) (B8)<br>Yes = 1 No = 0 | 1 | 1 |
|----------|--|---|---|

Evaluator Notes:

Yes, a review of Nustar Terminal Operations Partnership inspection on December 4, 2013 and TransMontaigne Operating Company inspection on December 18, 2013 confirm VSCC reviewed this item.

- 
- |           |   |   |   |
|-----------|---|---|---|
| <b>10</b> | Is the state aware of environmentally sensitive areas traversed by or adjacent to hazardous liquid pipelines? (reference Part 195, review of NPMS) (B9)<br>Yes = 1 No = 0 | 1 | 1 |
|-----------|---|---|---|

Evaluator Notes:

Yes, a review of Nustar Terminal Operations Partnership inspection on December 4, 2013 and TransMontaigne Operating Company inspection on December 18, 2013 confirm VSCC reviewed this item.

- 
- |           |   |   |   |
|-----------|---|---|---|
| <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 195.402(c)(5)? (B10,E5)<br>Yes = 1 No = 0 | 1 | 1 |
|-----------|---|---|---|

Evaluator Notes:

VSCC continues to monitor the operator's records for accidents when they occur. However, in CY2013 no accidents and failures occurred.

- 
- |           |   |   |   |
|-----------|---|---|---|
| <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? Data Initiative (G5-8,G15)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|

Evaluator Notes:

Yes. VSCC staff members review the operator's annual reports and record the results into their PIPES data base. This information is used in the risk base inspection schedule for determining inspections.

- 
- |           |   |   |   |
|-----------|---|---|---|
| <b>13</b> | Did state input all applicable OQ, IMP inspection results into federal database in a timely manner? This includes replies to Operator notifications into IMDB database. Chapter 5.1 (G9-12)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|



Evaluator Notes:

Yes, a review of IMP and OQ data bases found two inspection reports have been uploaded for each type of inspection. No areas of concern.

- 
- |           |  |   |   |
|-----------|--|---|---|
| <b>14</b> | Has state confirmed intrastate operators have submitted information into NPMS database along with changes made after original submission? (G13)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|-----------|--|---|---|

Evaluator Notes:

Yes, this is listed and checked on Federal Form 3, Standard Inspection Report. No issues.

- 
- |           |  |   |   |
|-----------|--|---|---|
| <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 (I1-3)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|--|---|---|

Evaluator Notes:

Yes, a review of the inspection reports for Transmontaigne Service, Inc. and NuStar Logistics found VSCC verified operators are conducting drug and alcohol testing as required by the regulations. No issues.

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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 195 Part G (I4-7)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|--|---|---|

Evaluator Notes:

Yes, this information is verified by the VA SCC inspector using Federal Form 15. No issues.

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- |           |  |   |   |
|-----------|--|---|---|
| <b>17</b> | Is state verifying operator's hazardous liquid integrity management (L IMP) Programs are up to date? This should include a previous review of LIMP 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). 49 CFR 195.452 Appendix C (C8-12)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|--|---|---|

Evaluator Notes:

Yes, VSCC conducted the protocol inspection on all intrastate operators in CY2013. The review consisted of reviewing the update plans and procedures. All information was recorded on PHMSA Integrity Management Inspection Protocols document.

- 
- |           |  |   |   |
|-----------|--|---|---|
| <b>18</b> | 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. 49 CFR 195.440 (I13-16)<br>PAPEI Effectiveness Inspections should be complete by December 2013 | 2 | 2 |
|-----------|--|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, VSCC has completed all PAPEI inspections for NuStar Energy on 12/05/2013 and TransMontaigne on 12/10/2013.

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- |           |   |   |   |
|-----------|---|---|---|
| <b>19</b> | 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). (G19-20)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|-----------|---|---|---|

Evaluator Notes:

Yes, this is accomplished via their web site, meetings with company officials and emails to operators on alert notices.

- 
- |           |   |   |    |
|-----------|---|---|----|
| <b>20</b> | Did state execute appropriate follow-up actions to Safety Related Condition (SRC) Reports? Chapter 6.3 (B6) | 1 | NA |
|-----------|---|---|----|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

No safety related conditions reports were filed in CY2013.

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- 21** Did the state participate in/respond to surveys or information requests from NAPS or PHMSA? (H4) 1 1

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, a review of email correspondence from Brent Heverly dated December 30, 2013 indicated VSCC responded to questions about unit boundaries for liquid operators in the State of Virginia.

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- 22** 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. Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

No waivers or special permits were issued in CY2013.

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- 23** General Comments: Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

No loss of points occurred in this section. VSCC has generally met the requirements of Part C.

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Total points scored for this section: 42  
Total possible points for this section: 42

**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 (B12-14, B16, B1h)<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"/> |

**Evaluator Notes:**

- a. This is located in VSCC Pipeline Safety Procedure Appendix 7, PIPELINE SAFETY ENFORCEMENT PROCEDURES FOR JURISDICTIONAL OPERATORS, and page 35. Notification is sent to company compliance representative or officer as described on page 36.
- b. Procedures to routinely review compliance action is listed on page 17, Follow-up Inspection. "Follow up reviews to determine compliance with the Commission's Orders are performed by the Office Manager to ensure operators' perform the required tasks detailed as part of remedial measures in the Orders".

- |          |  |   |   |
|----------|--|---|---|
| <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 (B11,B18,B19)<br>Yes = 4 No = 0 Needs Improvement = 1-3 | 4   | 4                                       |
| a.       | Were compliance actions sent to company officer or manager/board director if municipal/government system?  | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b.       | Were probable violations documented?   | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c.       | Were probable violations resolved?   | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d.       | Was the progress of probable violations routinely reviewed?  | Yes <input checked="" type="radio"/> No <input type="radio"/> | Needs Improvement <input type="radio"/> |

**Evaluator Notes:**

- a. A review of compliance action documents found a letter sent to NuStar Terminals Operations Partnership, Mr. Scott Bergam, Vice President dated June 29, 2013, INS-2012-2295 and case number URS-2012-00465 supported this item.
- b. Yes, a check of files found the probable violation was documented correctly. This was the only violation cited in CY2013 against a hazardous liquid operator.
- c. Yes, the probable violation was resolved by the company's action to pay the civil penalty of \$2,000.00.
- d. Yes, this is routinely reviewed during monthly staff meetings.

- |          |  |   |   |
|----------|--|---|---|
| <b>3</b> | Did the state issue compliance actions for all probable violations discovered? (B15)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|--|---|---|

**Evaluator Notes:**

- Yes, a review of VSCC files and progress report indicated 1 probable violation was cited against an operator for non-compliance.

- |          |  |   |   |
|----------|--|---|---|
| <b>4</b> | Did compliance actions give reasonable due process to all parties? Including "show cause" hearing if necessary. (B17, B20)<br>Yes = 2 No = 0 | 2 | 2 |
|----------|--|---|---|

**Evaluator Notes:**

- Yes, this process is described in VSCC Pipeline Safety Procedures Manual, page 38 and in the letter to the operator. No issues.

- |          |   |   |   |
|----------|---|---|---|
| <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) (B27)<br>Yes = 2 No = 0 | 2 | 2 |
|----------|---|---|---|

**Evaluator Notes:**

- Yes, Program Manager and staff members are familiar with imposing civil penalties. CY2013, VSCC assessed and collected \$2,000.00 from one operator.

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

Evaluator Notes:

Yes, CY2013, VSCC assessed and collected \$2,000.00 from one operators.

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

Evaluator Notes:

No loss of points occurred in this section. VSCC has generally met the requirements of Part D.

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

## PART E - Accident Investigations

Points(MAX) Score

- |          |   |                                      |  |
|----------|---|--------------------------------------|--|
| <b>1</b> | Does state have adequate mechanism to receive and respond to operator reports of accidents, including after-hours reports? And did state keep adequate records of Incident/Accident notifications received? Chapter 6 (A2,D1-3)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2                                    | 2  |
| a.       | Acknowledgement of MOU between NTSB and PHMSA (Appendix D)  | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| b.       | Acknowledgement of Federal/State Cooperation in case of incident/accident (Appendix E)  | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |

Evaluator Notes:

- a. This item is listed and located on page 45, Appendix 8 of VSCC Pipeline Safety Procedure Manual.
- b. This item is listed and located on page 44, Appendix 8 of VSCC Pipeline Safety Procedure Manual.

- |          |   |   |   |
|----------|---|---|---|
| <b>2</b> | 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 (D4)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|---|---|---|

Evaluator Notes:

This item is listed and located on page 49 & 50, Attachments 1 & 2 of VSCC Pipeline Safety Procedure Manual.

- |          |  |                                      |  |
|----------|--|--------------------------------------|--|
| <b>3</b> | Were all accidents investigated, thoroughly documented, and with conclusions and recommendations? (D5)<br>Yes = 3 No = 0 Needs Improvement = 1-2 | 3                                    | NA   |
| a.       | Observations and document review   | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| b.       | Contributing Factors   | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| c.       | Recommendations to prevent recurrences where appropriate   | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |

Evaluator Notes:

No incidents or accidents occurred in CY2013.

- |          |  |   |    |
|----------|--|---|----|
| <b>4</b> | Did the state initiate compliance action for violations found during any incident/accident investigation? (D6)<br>Yes = 1 No = 0 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

No incidents or accidents occurred in CY2013.

- |          |  |   |    |
|----------|--|---|----|
| <b>5</b> | Did the state assist region office by taking appropriate follow-up actions related to the operator accident 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 (D7)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

No incidents or accidents occurred in CY2013.

- |          |   |   |   |
|----------|---|---|---|
| <b>6</b> | Does state share lessons learned from incidents/accidents? (sharing information, such as: at NAPS Region meetings, state seminars, etc) (G15)<br>Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

Evaluator Notes:

Yes, this is discussed at the TQ Seminars, monthly Damage Prevention Advisory Committee meetings, Damage Prevention Conference and NAPS Region Eastern Meeting.

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

Evaluator Notes:

No loss of points occurred in this section. VSCC has generally met the requirements of Part E.

---

Total points scored for this section: 4  
Total possible points for this section: 4

## 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? (E1)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

Yes, VSCC includes this question along with four others on NTSB in each of the inspections performed on their hazardous liquid operators. A review of the inspection performed on TransMontaigne Operating Company dated December 18, 2013 indicated this item was reviewed with the operator. No issues.

- |   |  |   |   |
|---|--|---|---|
| 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? (E2)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

Yes, VSCC includes this question along with four others on NTSB in each of the inspections performed on their hazardous liquid operators. A review of the inspection performed on NuStar Terminals Operations Partnership dated December 4, 2013 indicated this item was reviewed with the operator. No issues.

- |   |   |   |   |
|---|---|---|---|
| 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.) (E3)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

Yes, VSCC adopted the CGA Best Practices and continues to provide information to all stakeholders and operators on marking, hand digging and directional drilling.

- |   |  |   |   |
|---|--|---|---|
| 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) (E4,G5)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

Yes, VSCC continues to maintain a database on the number of pipeline damages that are reported by the operator to their agency. VA One Call center also provides information to VSCC on the number of ticket request by a caller involving gas facilities in the area. Using the damage reports and locate requests, VSCC determines the number of damages per 1,000 locate request.

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

Evaluator Notes:

No loss of points occurred in this section. VSCC has generally met the requirements of Part F.

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

## PART G - Field Inspections

Points(MAX) Score

- |          |   |                    |
|----------|---|--------------------|
| <b>1</b> | Operator, Inspector, Location, Date and PHMSA Representative<br>Info Only = No Points | Info OnlyInfo Only |
|----------|---|--------------------|

Name of Operator Inspected:  
Colonial Pipeline Company (ID 2552)  
Name of State Inspector(s) Observed:  
James Fisher, Senior Utilities Engineer  
Location of Inspection:  
Mitchell Junction, VA  
Date of Inspection:  
May 29, 2014  
Name of PHMSA Representative:  
Glynn Blanton, US DOT/PHMSA

**Evaluator Notes:**

This was an inspection on the block valves along Colonial Pipelines system running from Buckingham to Forest, Virginia. The following representatives from Colonial Pipeline Company were present during the inspection:  
Mack Taylor, Regulatory Compliance Officer  
Paul Senger, District Project Leader  
Trent Allen, O&M Supervisor  
John Walker, Corrosion Tech.  
Amara Smith, Compliance Coordinator

- |          |   |    |
|----------|---|----|
| <b>2</b> | Was the operator or operator's representative notified and/or given the opportunity to be present during inspection? (F2)<br>Yes = 1 No = 0 | 11 |
|----------|---|----|

**Evaluator Notes:**

Mr. James Fisher, Senior Utilities Engineer notified Mack Taylor on May 20, 2014.

- |          |  |    |
|----------|--|----|
| <b>3</b> | 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) (F3)<br>Yes = 2 No = 0 Needs Improvement = 1 | 22 |
|----------|--|----|

**Evaluator Notes:**

Yes, Mr. Fisher used the federal and VSCC forms in completing the inspection. He checked each item that was reviewed during the field inspection and recorded the results on the forms. Rectifier readings were taken at the Buckingham county line station by company representatives and the results were recorded in the inspector's check list. The readings were 38.6 MV and 7.72 amps.

- |          |   |    |
|----------|---|----|
| <b>4</b> | Did the inspector thoroughly document results of the inspection? (F4)<br>Yes = 2 No = 0 Needs Improvement = 1 | 22 |
|----------|---|----|

**Evaluator Notes:**

Yes, Mr. Fisher was very thorough in recording the results of the items checked and review at each block valve station. Several pictures of the block valve stations were taken to document items observed.

- |          |  |    |
|----------|--|----|
| <b>5</b> | Did the inspector check to see if the operator had necessary equipment during inspection to conduct tasks viewed? (Maps, valve keys, half cells, etc) (F5)<br>Yes = 1 No = 0 | 11 |
|----------|--|----|

**Evaluator Notes:**

Yes, at each of the six block valve stations inspected, Mr. Fisher checked to see if the operator had equipment and protective clothing to perform the task viewed. Several of the block valves were turned and checked for performance and operation. No issues.

- |          |   |    |
|----------|---|----|
| <b>6</b> | Did the inspector adequately review the following during the field portion of the state evaluation? (check all that apply on list) (F7) | 22 |
|----------|---|----|



Yes = 2 No = 0 Needs Improvement = 1

- |    |                        |                                     |
|----|------------------------|-------------------------------------|
| a. | Procedures             | <input checked="" type="checkbox"/> |
| b. | Records                | <input checked="" type="checkbox"/> |
| c. | Field Activities       | <input checked="" type="checkbox"/> |
| d. | Other (please comment) | <input type="checkbox"/>            |

Evaluator Notes:

Yes, Mr. Fisher reviewed the company's operator qualification records and procedures at each of the block valve stations. He observed and noted the field activities performed by individuals to verify they match the company's records.

- 
- |                                      |  |   |   |
|--------------------------------------|--|---|---|
| 7                                    | Did the inspector have adequate knowledge of the pipeline safety program and regulations? (Evaluator will document reasons if unacceptable) (F8) | 2 | 2 |
| Yes = 2 No = 0 Needs Improvement = 1 |  |   |   |

Evaluator Notes:

Yes, Mr. Fisher has excellent regulatory knowledge with many years of experience in hazardous liquid pipeline safety regulations with the US Army. He has completed all natural gas and hazardous liquid courses at TQ.

- 
- |                |  |   |   |
|----------------|--|---|---|
| 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) (F9) | 1 | 1 |
| Yes = 1 No = 0 |  |   |   |

Evaluator Notes:

Yes, a thorough and detailed exit interview was conducted. No violations were found or cited.

- 
- |                |   |   |   |
|----------------|---|---|---|
| 9              | During the exit interview, did the inspector identify probable violations found during the inspections? (if applicable) (F10) | 1 | 1 |
| Yes = 1 No = 0 |   |   |   |

Evaluator Notes:

No violations or areas of concern were found.

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

Info Only = No Points

- |    |                               |                                     |
|----|-------------------------------|-------------------------------------|
| a. | Abandonment                   | <input type="checkbox"/>            |
| b. | Abnormal Operations           | <input type="checkbox"/>            |
| c. | Break-Out Tanks               | <input checked="" type="checkbox"/> |
| d. | Compressor or Pump Stations   | <input checked="" type="checkbox"/> |
| e. | Change in Class Location      | <input type="checkbox"/>            |
| f. | Casings                       | <input type="checkbox"/>            |
| g. | Cathodic Protection           | <input checked="" type="checkbox"/> |
| h. | Cast-iron Replacement         | <input type="checkbox"/>            |
| i. | Damage Prevention             | <input type="checkbox"/>            |
| j. | Deactivation                  | <input type="checkbox"/>            |
| k. | Emergency Procedures          | <input type="checkbox"/>            |
| l. | Inspection of Right-of-Way    | <input checked="" type="checkbox"/> |
| m. | Line Markers                  | <input checked="" type="checkbox"/> |
| n. | Liaison with Public Officials | <input checked="" type="checkbox"/> |
| o. | Leak Surveys                  | <input type="checkbox"/>            |
| p. | MOP                           | <input type="checkbox"/>            |
| q. | MAOP                          | <input type="checkbox"/>            |
| r. | Moving Pipe                   | <input type="checkbox"/>            |
| s. | New Construction              | <input type="checkbox"/>            |
| t. | Navigable Waterway Crossings  | <input type="checkbox"/>            |
| u. | Odorization                   | <input type="checkbox"/>            |

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

Evaluator Notes:

Listed below are the locations of the block valves checked. Additionally all transmission Right of Ways, pipeline line markers, signs and crossing were reviewed and checked over a four hundred mile day trip.

1. Buckingham -Hall Road Junction
2. James River Hwy- rectifier readings taken at this location
3. James River Road
4. Stapleton Road
5. Partridge Creek Road
6. River Road in Madison Heights, VA
7. Hryo Road
8. Boonsboro Road in Lynchburg, VA
9. Cottonwood Road in Forest, VA
10. Tank farm at 1273 Old Term ant Road in Roanoke, VA

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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)? (C1)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|---|---|---|

Evaluator Notes:

Yes, V SCC uses Federal Inspection Form IA for break out tanks and forms 7 &amp; 19 for construction and IMP verification.

- |          |  |   |   |
|----------|--|---|---|
| <b>2</b> | Are results documented demonstrating inspection units were reviewed in accordance with "PHMSA directed inspection plan"? (C2)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|--|---|---|

Evaluator Notes:

A review of the VSCC 2013 work plan filed with PHMSA Eastern Region and tracking sheet indicate inspection units were reviewed in accordance to the plan. No issues.

- |          |   |   |   |
|----------|---|---|---|
| <b>3</b> | Did the state submit documentation of the inspections within 60 days as stated in its latest Interstate Agent Agreement form? (C3)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|---|---|---|

Evaluator Notes:

Yes, a review of VSCC records found each of the inspection reports were submitted within 60 days. Colonial Pipe Line Company inspection was performed on March 1, July 9 and October 18, 2013, submitted to PHMSA on October 23, 2013 and approved by PHMSA on November 20, 2013.

- |          |  |   |    |
|----------|--|---|----|
| <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.) (C4)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

No violations were submitted to PHMSA Eastern Region for consideration in CY2013.

- |          |  |   |    |
|----------|--|---|----|
| <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? (C5)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

No safety hazard conditions were reported or existed in CY2013. NA.

- |          |   |   |    |
|----------|---|---|----|
| <b>6</b> | Did the state give written notice to PHMSA within 60 days of all probable violations found? (C6)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

No probable violations were found in CY2013. NA

- |          |  |   |    |
|----------|--|---|----|
| <b>7</b> | Did the state initially submit documentation to support compliance action by PHMSA on probable violations? (C7)<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

No probable violations were found in CY2013. NA

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

Evaluator Notes:

No loss of points occurred in this section. VSCC has generally met the requirements of Part H.

Total points scored for this section: 3

Total possible points for this section: 3

**PART I - 60106 Agreement State (if applicable)****Points(MAX)    Score**

- |          |  |   |    |
|----------|--|---|----|
| <b>1</b> | Did the state use the current federal inspection form(s)? (B21)<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? (B22)<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? (NOTE: PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation.) (B23)<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? (B24)<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? (B25)<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? (B26)<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