



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

1200 New Jersey Avenue SE
Washington DC 20590

2017 Hazardous Liquid State Program Evaluation

for

INDIANA UTILITY REGULATORY 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)



2017 Hazardous Liquid State Program Evaluation -- CY 2017
Hazardous Liquid

State Agency: Indiana
Agency Status:
Date of Visit: 04/30/2018 - 05/18/2018
Agency Representative: Steve Allen
 Director of Pipeline Safety
PHMSA Representative: Clint Stephens
 Sate Evaluator
Commission Chairman to whom follow up letter is to be sent:
Name/Title: Mr. Jim Huston, Chairman
Agency: Indiana Utility Regulatory Commission
Address: 101 West Washington Street, Suite 1500 East
City/State/Zip: Indianapolis, Indiana 46204-3407

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 2017 (not the status of performance at the time of the evaluation). All items for which criteria have not been established should be answered based on the PHMSA representative's judgment. A deficiency in any one part of a multiple part question should be scored as needs improvement. Determine the answer to the question then select the appropriate point value. If a state receives less than the maximum points, include a brief explanation in the space provided for general comments/regional observations. If a question is not applicable to a state, select NA. Please ensure all responses are COMPLETE and ACCURATE, and OBJECTIVELY reflect state program performance. Increasing emphasis is being placed on performance. This evaluation together with selected factors reported in the state's annual progress report attachments provide the basis for determining the state's pipeline safety grant allocation.

Field Inspection (PART G):

The field inspection form used will allow different areas of emphasis to be considered for each question. Question 13 is provided for scoring field observation areas. In completing PART G, the PHMSA representative should include a written summary which thoroughly documents the inspection.

Scoring Summary

PARTS	Possible Points	Points Scored
A Progress Report and Program Documentation Review	10	10
B Program Inspection Procedures	13	13
C Program Performance	43	43
D Compliance Activities	15	15
E Accident Investigations	10	10
F Damage Prevention	8	8
G Field Inspections	12	12
H Interstate Agent State (if applicable)	0	0
I 60106 Agreement State (if applicable)	0	0
TOTALS	111	111
State Rating		100.0

PART A - Progress Report and Program Documentation Review

Points(MAX) Score

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

Evaluator Notes:

Data seems accurate with internal records for Attachment 1 of Progress Report.

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

Evaluator Notes:

Data seems accurate with internal records for Attachment 2 of Progress Report.

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

Evaluator Notes:

Data seems accurate with internal records for Attachment 3 of Progress Report.

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

Evaluator Notes:

Data was verified with information in the PDM for Attachment 4.

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

Evaluator Notes:

Accuracy was verified for compliance activities from Attachment 5 of Progress Report.

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

Evaluator Notes:

Most files are kept in the CRM database and are accessible for review, as well as organized.

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

Evaluator Notes:

Employee listing and completed training looks accurate and complete in Attachment 7.

- | | | | |
|---|---|---|---|
| 8 | Verification of Part 195,198,199 Rules and Amendments - Progress Report Attachment 8
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|---|---|---|

Evaluator Notes:

Indiana in the process of adopting all federal rules and amendments in 2018.

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

Indiana described accomplishments in Attachment 10 by moving toward adopting use of Inspection Assistant (IA) software. Also, Indiana did receive a perfect score with its State Damage Prevention Enforcement Program from PHMSA.

10 General Comments:

Info Only|Info Only

Info Only = No Points

Evaluator Notes:

There were no issues identified in Part A of evaluation.

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



PART B - Program Inspection Procedures

Points(MAX) Score

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Standard inspections which include the pre-inspection and inspection activities are detailed on pages 30 ? 33 of the Indiana Regulatory Commission Pipeline Safety Division Program Manual; and Post Inspection Activities are detailed on pages 50 ? 51.

- 2 IMP 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.

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

IMP and DIMP inspections which include the pre-inspection and inspection activities are detailed on pages 30 ? 33 of the Indiana Regulatory Commission Pipeline Safety Division Program Manual; and Post Inspection Activities are detailed on pages 48, and 50 ? 51.

- 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.

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

OQ inspections which include the pre-inspection and inspection activities are detailed on pages 30 ? 33 of the Indiana Regulatory Commission Pipeline Safety Division Program Manual; and Post Inspection Activities are detailed on pages 44, and 50 ? 51.

- 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.

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Damage Prevention inspections which include the pre-inspection and inspection activities are detailed on pages 30 ? 33 of the Indiana Regulatory Commission Pipeline Safety Division Program Manual; and Post Inspection Activities are detailed on pages 47, and 50 ? 51.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

On-site Operator Training is detailed on page 46 of the Indiana Regulatory Commission Pipeline Safety Division Program Manual.

- 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.

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Construction inspections which include the pre-inspection and inspection activities are detailed on pages 30 ? 33 of the Indiana Regulatory Commission Pipeline Safety Division Program Manual; and Post Inspection Activities are detailed on pages 41 - 43, and 50 ? 51.

- | | | | |
|----------|---|--------------------------------------|--|
| 7 | Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements?
Yes = 6 No = 0 Needs Improvement = 1-5 | 6 | 6 |
| a. | Length of time since last inspection (Within five year interval) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| b. | Operating history of operator/unit and/or location (includes leakage, incident and compliance activities) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| c. | Type of activity being undertaken by operators (i.e. construction) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| d. | Locations of operators inspection units being inspected - (HCA's, Geographic 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 <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |

Evaluator Notes:

Inspection priorities of each operator is outlined in pages 18 ? 27 of the Indiana Regulatory Commission Pipeline Safety Division Program Manual.

8 General Comments:

Info Only = No Points

Info Only Info Only

Evaluator Notes:

There were no issues identified in Part B of evaluation.

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):
 38.00
 B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
 220 X 0.19 = 40.78
 Ratio: A / B
 38.00 / 40.78 = 0.93
 If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0
 Points = 5

Evaluator Notes:

Attachment 7 of Progress Report for person days calculated $38/220 * .19 = .91 >= .38$

- 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 IMP Training before conducting inspection as lead Yes No Needs Improvement
 - c. Root Cause Training by at least one inspector/prgram 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:

Aaron Holeman has completed only 3 of 7 core courses; Kelsey Klinger has completed only 2 of 7 core courses; and Michael Neal has completed only 2 of 7 core courses. All inspectors that perform as lead inspectors have completed core courses and the required course for lead. Charles Weindorf has completed NACE courses.

- 3** Did state records and discussions with state pipeline safety program manager indicate adequate knowledge of PHMSA program and regulations? Chapter 4.1,8.1 2 2
 Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes. The state pipeline safety program manager showed adequate knowledge of PHMSA program and regulations.

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

Evaluator Notes:

Yes. The Chairman Letter was sent December 29, 2017, and the Chairman response was received on February 20, 2018.

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

Evaluator Notes:

Yes. The State conducted last safety training seminar in 2015; currently scheduled for July 2018.

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

Evaluator Notes:



Yes. Reviewed inspection reports 10443 and 10143.

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

Evaluator Notes:

Yes. The IURC is using the PHMSA form for D&A and standard records inspections. All applicable portions of form were completed.

8 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)?
Yes = 1 No = 0

Evaluator Notes:

Yes. The procedure question is included in the IA Distribution PHMSA Form 3 Hazardous Liquids inspection form, question 2, page 4.

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

Evaluator Notes:

Yes. Indiana reviews the operator annual reports for any discrepancies, along with analyzing the data for trends and operator issues which is then promulgated in their risk model.

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

Evaluator Notes:

Yes. Indiana does an annual review to verify any changes in mileage based on operator annual reports. Any differences will be followed-up with operator.

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

Evaluator Notes:

Yes. During the standard inspections, the IURC is performing at the minimum a D&A inspection utilizing the short form.

12 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
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

There has been no OQ program inspections on Country Mark since 2015.

13 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). (Are the State's largest operators programs being contacted or reviewed annually? Are replies to Operator IM notifications addressed? (formerly part of Question C-10)). 49 CFR 195.452 Appendix C
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

The previous inspection was performed in 2013, and is scheduled for 2018.

14	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 be conducted every four years by operators. 49 CFR 195.440 Yes = 2 No = 0 Needs Improvement = 1	2	2
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Evaluator Notes:

Yes. There was one Public Awareness program inspections performed in 2016.

15	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). Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:

Yes. The IURC has numerous outlets for communicating with stakeholders, such as, enforcement cases on State website, sending out emails to operators pertaining to State and Federal regulatory updates, and regular meetings with three big operators.

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

There are no SRCR reports file or open for HL pipelines.

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

Yes. The State participated in response to surveys or information requests from NAPSRS and PHMSA.

18	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. Needs Improvement = .5 No = 0 Yes = 1	1	1
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Evaluator Notes:

Indiana has not issued any waivers/special permits for any of its operators.

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

Yes. The Chairman Letter was sent December 29, 2017, and the Chairman response was received on February 20, 2018.

20	Discussion on State Program Performance Metrics found on Stakeholder Communication site ? http://primis.phmsa.dot.gov/comm/states.htm Needs Improvement = 1 No = 0 Yes = 2	2	2
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|----|---|--------------------------------------|--------------------------|---|
| a. | Discussion of Potential Accelerated Actions (AA's) based on any negative trends | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b. | NTSB P-11-20 Meaningful Metrics | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

Evaluator Notes:

Yes. Steve Allen and Bill Boyd attended the National Board of Directors Meeting in Columbus, OH.

21	Discussion with State on accuracy of inspection day information submitted into State Inspection Day Calculation Tool (SICT) Has the State updated SICT data?	1	1
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No = 0 Yes = 1

Evaluator Notes:

Discussed the 2017 SICT with the IURC which was calculated at 16 inspection days; whereas, Attachment 2 of Progress shows 38 field inspection activity.

- 22** Did the State verify Operators took appropriate action regarding Pipeline Flow Reversals, Product Changes and Conversions to Service? See ADP-2014-04 1 1
Needs Improvement = .5 No = 0 Yes = 1

Evaluator Notes:

IURC will look at having added to their State Rule operator notifications for Pipeline Flow Reversals, Product Changes, and/or Conversion to Service. The IURC emailed each operator information pertaining to this ADP.

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

Evaluator Notes:

There were no issues identified in Part C of evaluation.

Total points scored for this section: 43
Total possible points for this section: 43



PART D - Compliance Activities

Points(MAX) Score

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

Evaluator Notes:

Yes. The procedures are detailed on page 51 of the IURC Pipeline Safety Division Program Manual. More detail should be added to Manual to explain in detail the process for monitoring progress of compliance action until closing probable violations or outstanding probable violations.

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|----------|--|--------------------------------------|--|
| 2 | Did the state follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? Chapter 5.1
Yes = 4 No = 0 Needs Improvement = 1-3 | 4 | 4 |
| a. | Were compliance actions sent to company officer or manager/board director if municipal/government system? | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| b. | Document probable violations | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| c. | Resolve probable violations | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| d. | Routinely review progress of probable violations | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| e. | Within 30 days, conduct a post-inspection briefing with the owner or operator of the gas or hazardous liquid pipeline facility inspected outlining any concerns; and | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| f. | Within 90 days, to the extent practicable, provide the owner or operator with written preliminary findings of the inspection. | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |

Evaluator Notes:

Yes. all probable violations were adequately documented, including resolution or further course of action if needed to gain compliance. The IURC amended the Pipeline Safety Division Program Manual to better define a process to resolve probable violations and monitor those outstanding violations.

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

Evaluator Notes:

Yes. The IURC has issued compliance actions for all probable violations.

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

Evaluator Notes:

Yes. The operator gave reasonable due process to all parties with issuance of probable violations and enforcement actions.

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

Evaluator Notes:

Yes, the program manager is familiar with the state process for imposing civil penalties. There were no civil penalties accessed to the one hazardous liquid operator (Country Mark).

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



Evaluator Notes:

There have been fines assessed to Country Mark for pipeline safety violations.

7 General Comments:

Info Only|Info Only

Info Only = No Points

Evaluator Notes:

There were no issues identified in Part D of evaluation.

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



PART E - Accident Investigations

Points(MAX) Score

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

Evaluator Notes:

Yes. The procedure is detailed in the IURC Pipeline Safety Division Incident Investigation Procedures, page 75 -77.

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

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

Evaluator Notes:

Yes. The procedure is detailed in the IURC Pipeline Safety Division Incident Investigation Procedures, page 78 - 83.

- 3 If onsite investigation was not made, did state obtain sufficient information from the operator and/or by other means to determine the facts to support the decision to not go on-site? Chapter 6 1 1
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes. If the IURC decided to not go onsite for an investigation, an incident report is generated and then uploaded to their sharepoint site.

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

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

Evaluator Notes:

There were no accidents that occurred with the hazardous liquid operator.

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

Evaluator Notes:

There were no accidents that occurred with the hazardous liquid operator.

- 6 Did the state assist Region Office or Accident Investigation Division (AID) 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 1 1
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

No event occurred for IURC in 2017.

- 7 Does state share lessons learned from incidents/accidents? (sharing information, such as: at NAPS Region meetings, state seminars, etc) 1 1

Yes = 1 No = 0

Evaluator Notes:

Yes. The IURC shares information during the State of State address during the NAPSIR meeting .

8 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

There were no issues identified in Part E of evaluation.

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



PART F - Damage Prevention

Points(MAX) Score

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

Evaluator Notes:

Yes. Question is listed on the O&M Inspection Form.

- | | | | |
|---|--|---|---|
| 2 | Did the state inspector verify pipeline operators are following their written procedures pertaining to notification of excavation, marking, positive response and the availability and use of the one call system?
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

Yes. Question is listed on the Damage Prevention Inspection Form.

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

Evaluator Notes:

Yes. Through its Damage Prevention Program there stakeholder meetings, council meeting, management of the account fund for improvements of the program, UPA provide scholarships for small operators to attend damage prevention conference, and through CGA survey Indiana ranked number 1 for 811 calls.

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

Evaluator Notes:

Through their analyzing of the operator annual reports the IURC has collected the data to evaluate trends on the number of pipeline damages per 1,000 locate tickets.

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

Evaluator Notes:

There were no issues identified in Part F of evaluation.

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:
 CountryMark Refining and Logistics, LLC
 Name of State Inspector(s) Observed:
 Charles Weindorf (Lead), William Boyd, and Kelsey Klinger
 Location of Inspection:
 17710 Mule Barn Road, Westfield, IN 46074
 Date of Inspection:
 May 1-2, 2018
 Name of PHMSA Representative:
 Cint Stephens

Evaluator Notes:
 The inspector performed a Standard Inspection of the operator's corrosion field facilities, such as, CP test points, rectifiers, and above ground pipe locations.

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

Evaluator Notes:
 Yes. The operator's representatives were notified and present during inspection.

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:
 The inspector used a "Standard Inspection Form ? Corrosion Field Review".

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

Evaluator Notes:
 Yes. The inspector thoroughly documented results of the inspection.

5 Did the inspector check to see if the operator had necessary equipment during inspection to conduct tasks viewed? (Maps, valve keys, half cells, etc) 1 1
 Yes = 1 No = 0

Evaluator Notes:
 Yes. The operator utilized a half cell and multi-meter to take pipe-to-soil readings and inspect rectifiers.

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:
 Yes. The inspector adequately reviewed the following areas during the field evaluation: (1) Records - Pipe-to soil, rectifier readings, and exposed main inspection records; and (2) Field - ROW conditions, marker signs, atmospheric corrosion for above ground piping, pipe-soil readings, rectifier readings, and exposed pipe conditions (coating).



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

Evaluator Notes:

Yes. The inspector showed adequate knowledge of the pipeline safety program and regulations.

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

Evaluator Notes:

Yes. The inspector conducted an exit interview following the field inspection identifying areas that needed improvement.

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

Evaluator Notes:

There were no probable violations identified during the inspection.

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:

The inspector observed ROW conditions, marker signs, atmospheric corrosion for above ground piping, pipe-soil readings, rectifier readings, and exposed pipe conditions (coating). The inspector did a great job of observing different areas for compliance and informing the operator when there were areas of concern.

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



PART H - Interstate Agent State (if applicable)

Points(MAX) Score

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

Evaluator Notes:
Indiana is not a part of the Interstate Agent Program.

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:
Indiana is not a part of the Interstate Agent Program.

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:
Indiana is not a part of the Interstate Agent Program.

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:
Indiana is not a part of the Interstate Agent Program.

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:
Indiana is not a part of the Interstate Agent Program.

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:
Indiana is not a part of the Interstate Agent Program.

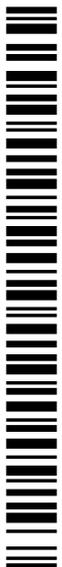
7 Did the state initially submit documentation to support compliance action by PHMSA on probable violations? 1 NA
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:
Indiana is not a part of the Interstate Agent Program.

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

Evaluator Notes:
Indiana is not a part of the Interstate Agent Program.

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:
Indiana does not have a 60106 Agreement with PHMSA.

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:
Indiana does not have a 60106 Agreement with PHMSA.

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:
Indiana does not have a 60106 Agreement with PHMSA.

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:
Indiana does not have a 60106 Agreement with PHMSA.

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:
Indiana does not have a 60106 Agreement with PHMSA.

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:
Indiana does not have a 60106 Agreement with PHMSA.

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

Evaluator Notes:
Indiana does not have a 60106 Agreement with PHMSA.

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

