



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

1200 New Jersey Avenue SE
Washington DC 20590

2017 Gas State Program Evaluation

for

FLORIDA PUBLIC SERVICE COMMISSION, Bureau of Safety

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)



2017 Gas State Program Evaluation -- CY 2017

Gas

State Agency: Florida

Agency Status:

Date of Visit: 04/03/2018 - 06/08/2018

Agency Representative: Rick Moses, Safety Bureau Chief
Tom Ballinger, Director of Engineering
Wendi Denison, Administrative Assistant
Norman Witman, Field Inspector (Field, Miami Office)
Karl Chen, Supervisor (Miami)

PHMSA Representative: David Appelbaum, USDOT/PHMSA State Programs
Leonard Steiner, USDOT/PHMSA State Programs

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

Name/Title: Art Graham, Chairman
Agency: Florida Public Service Commission
Address: 2540 Shumard Oak Boulevard
City/State/Zip: Tallahassee, Florida 32399-0868

Rating:

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

INSTRUCTIONS:

Complete this evaluation in accordance with the Procedures for Evaluating State Pipeline Safety Program. The evaluation should generally reflect state program performance during CY 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

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)

Possible Points Points Scored

10	10
13	13
46	46
15	15
6	6
8	7
12	12
0	0
0	0
110	109

TOTALS

State Rating	99.1
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PART A - Progress Report and Program Documentation Review

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:

PDM reflected five Master Meter operators, but progress report showed four. Crestview Housing Authority converted to solely electric in December 2017 and OPID has been submitted for removal. Information has been entered correctly.

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

Evaluator Notes:

Reviewed inspection-person day activity results to individual time sheets. Inspection days appear to be reflected appropriately.

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

FPL Transmission annual report shows they own an intrastate line. In fact, the line is interstate and PSC will ask FPL to amend their annual report.

Floral Utilities Board (OPID#5290) operates out of Alabama, but is reflecting they operate 77 services in Florida. FL PSC has not inspected Floral, instead depending on the Alabama PSC to inspect, which has happened. Since the Alabama PSC would not have jurisdiction for enforcement within the State of Florida, the FL PSC will add these 77 services to their portfolio and begin inspecting. Inspection in 2019 needs to verify that inspections on the above 77 services have occurred, and reflect outcome accordingly.

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

Yes, two reported in 2017, both were determined to be non-reportable.

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

Evaluator Notes:

Review shows attachment 5 is accurate.

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

Evaluator Notes:

Files appear to be well organized. Program Manager and other staff were capable of readily accessing requested documents.

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

Reviewed information on each inspector and compared completion courses to TQ records. Everything appears to be accurate.

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

Evaluator Notes:

Yes, reviewed information and found correct. No change from last year.

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:

Yes, a thorough list of detailed information on accomplishments and future activities was provided.

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

Evaluator Notes:

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



PART B - Program Inspection Procedures

Points(MAX) Score

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes. Florida Public Service Commission's Standard Operating Procedures, Section 1111 contains pre-inspection, inspection and post inspection procedures. This information is listed on pages 27-28.

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

Yes. Florida Public Service Commission's Standard Operating Procedures, Section 1111 page 27, address this item. All large operators are reviewed annually pertaining to reviewing the DIMP plan and actions taken by the operator in monitoring their action.

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

Yes. Florida Public Service Commission's Standard Operating Procedures, Section 1111, C. Procedures, Inspection Activities, (a) address OQ procedures.

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

Yes. Florida Public Service Commission's Standard Operating Procedures, Section 1111, C. Procedures, Inspection Activities, (a) address Public Awareness/Damage Prevention procedures. This information is located on pages 27.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Guidelines are spelled out in SOP 1108, but not specific to operator training. Recommend State expand and clarify this procedure.

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

Yes. Florida Public Service Commission's Standard Operating Procedures, Section 1111, C. Procedures, Inspection Activities, (a) address Construction Inspection on page 28.

7 Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements? 6 6

Yes = 6 No = 0 Needs Improvement = 1-5

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

Evaluator Notes:

FL PSC inspects all operators annually not to exceed 15 months using the standard inspection form. All DIMP inspections are performed annually not to exceed 2 years. A standard inspection is performed on each operator by checking procedures, maintenance records, odorization, valves and other components in the system. Each inspector will review the operator's compliance history, length of time since last inspection, type of inspections previously performed and violations cited along with other information about the operator in the FL PSC data base program. Inspectors are assigned a region location in the state to perform inspections on operators and they are rotated. All inspection units were reviewed and found to be broken down correctly by divisions in private systems and single units for municipality and utility district. Inspection priorities are listed in Florida Public Service Commission's Standard Operating Procedures, Section 1111, A, page 27

8 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

Program Manager was shown how to retrieve the report "NPMS vs. Annual Report" and will begin using as a discussion topic with operators.

PHMSA recommended that State enhance SOP 1108 to better detail processes for conducting operator training and recording said training.

FL PSC currently inspects all operators annually, not to exceed 15 months. PHMSA recommended to State that they develop draft procedure that can be readily deployed in the event that each operator, in the future, can not be inspected.

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):
911.19

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 8.50 = 1870.00

Ratio: A / B
911.19 / 1870.00 = 0.49

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)= 911.19
B. Total Inspection Person Days Charged to the program(220*Number of Inspection person years(Attachment 7) =1837.73304 Formula:- Ratio = A/B = 911.23/1870 = 0.487 Thus, Full Points = 5

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

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

Evaluator Notes:

All lead inspectors in 2017 have met the TQ requirements.

- 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:

Program Manager displayed a proficient understanding of the pipeline safety program.

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

Evaluator Notes:

Yes, Chairman Julie Brown's response letter to Zach Barrett was received on June 20, 2017. PHMSA's outbound letter was dated May 23, 2017, thus the State responded within the 60-day time requirement.

- 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, FL PSC held a pipeline safety seminar in Tallahassee, FL on April 7-8, 2015.

- 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, all operators are inspected once a year not to exceed 15 months.

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

Yes. FL PSC uses State inspection forms along with federal forms. The forms contain all federal regulations and State of Florida or PSC regulations that are enforceable by the Commission. The following federal forms are used: PHMSA Form 13 Drug and Alcohol, PHMSA OQ Inspection form 14, Field Inspection form 15, Public Awareness Plan Form 21, and PHMSA Gas Integrity Management Inspection Protocols. FL PSC forms are as follows: GS-1 New Construction Requirements Checklist, GS-3 Operation and Maintenance Requirements Checklist, GS-5 Pressure Regulating Station Data Checklist, GS-6 Odorization Checklist, GS-13 Annual Natural Gas Pipeline Safety Summary, GS-9 Construction Inspection Checklist Visual, GS-10 Gas Incident/Accident Inspection Checklist, GS-12 Special Drug /Alcohol Programs and GS 14 Valve Survey.

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

Yes, FL PSC form GS-3 Inspection and Maintenance Requirements Checklist pages 11-12 covers this item pertaining to cast iron pipe.

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

Yes, this item is covered in GC-3 Inspection and Maintenance Requirement form.

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

Yes. This is addressed in GS-3 Inspection and Maintenance Requirements Checklist pages 3-4, under Emergency Plans.

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

Yes, this item is listed in GS-3 Inspection and Maintenance Requirements Checklist page 5, under Failure Investigation Procedures.

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

FL PSC requires all operators to submit their annual report to their agency. After submission is completed a review of the reports are performed by the Program Manager. If inconsistencies are found the operator is notified. The annual reports are also checked for accuracy during all gas safety inspections.

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- | | | | |
|-----------|---|---|---|
| 13 | Has state confirmed intrastate transmission operators have submitted information into NPMS database along with changes made after original submission?
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|-----------|---|---|---|

Evaluator Notes:

Yes

PHMSA recommended to State they revisit the "NPMS vs. Annual Report" report and reconcile any differences in stated mileage.

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|-----------|---|---|---|
| 14 | Is the state verifying operators are conducting drug and alcohol tests as required by regulations? This should include verifying positive tests are responded to in accordance with program. 49 CFR 199
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|

Evaluator Notes:

Yes, this item is reviewed with the operator and listed on FL PSC form GC 13

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|-----------|---|---|---|
| 15 | Is state verifying operators OQ programs are up to date? This should include verification of any plan updates and that persons performing covered tasks (including contractors) are properly qualified and requalified at intervals determined in the operators plan. 49 CFR 192 Part N
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|

Evaluator Notes:

Yes, this item is reviewed with the operator and listed on FL PSC form GC 13

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|-----------|---|---|---|
| 16 | 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? Are replies to Operator IM notifications addressed? (formerly part of Question C-13)). 49 CFR 192 Subpart 0
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|

Evaluator Notes:

Yes, FL PSC inspectors use the federal gas transmission integrity form to monitor the operator's plan, tests and remedial action relative to the integrity management program. During the inspection they review previous action and updates.

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| 17 | 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
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|--|---|---|

Evaluator Notes:

Yes. A review of inspection files confirm all operators had a DIMP inspection in CY2013. In CY2015, 27 DIMP inspections were performed. In CY2016, 57 inspections were performed, and in CY 2017, there were 77. The inspection reviewed all updates and changes that may have occurred from the previous year.

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|-----------|---|---|---|
| 18 | 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 192.616
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|

Evaluator Notes:

In CY2017, 76 public awareness inspections were performed.

- 19 Does the state have a mechanism for communicating with stakeholders - other than state pipeline safety seminar? (This should include making enforcement cases available to public). 1 1
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, this is done primarily through the FL PSC website.

<http://www.psc.state.fl.us/>

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

Evaluator Notes:

Yes

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

Evaluator Notes:

Yes, this item is continually reviewed and checked on the standard inspection form.

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

Evaluator Notes:

Yes

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

Evaluator Notes:

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

Evaluator Notes:

Program Manager missed the annual meeting due to Hurricane Irma and his response requirements. He did make the regional meeting. Scored as N/A per evaluator guidance.

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

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

Evaluator Notes:

- 26 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
No = 0 Yes = 1

Evaluator Notes:
Item reviewed and discussed.

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

Evaluator Notes:
N/A. FL PSC does not have a hazardous liquid safety program.

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

Evaluator Notes:

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



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:

- a. Reviewed FL PSC Standard Operating Procedures and noted description of this requirement in SOP 1123, D. Operator Violation Notice Procedures: A cover letter identifying the violation and title of the violation rule is attached to the inspection files from the field inspector and sent to an officer or CEO of a private company (Mayor or City Manager for municipalities).
- b. This procedure is listed in Section 4,5 & 6. Monthly reports are generated from support staff to monitor responses.
- c. Section 7-10 pertains to procedures to close the probable violations. Once a response is received from the operator, the field inspector will re-inspect to ensure appropriate corrective action is taken. A closure letter is sent to the operator to close the violation if appropriate action was taken.

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

A number of related reports were reviewed and found to be in compliance.

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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, reviewed several of the 23 written compliance letters sent to operators pertaining to non-compliance with the pipeline safety regulations. Letters and attached inspection reports listed the violations found and action that needed to be taken to correct the violations.

- | | | | |
|----------|---|----------|----------|
| 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

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

Evaluator Notes:

Yes,

State has only imposed one civil penalty in recent years. This was against TECO in 2016 in the amount of \$1 million, plus a \$2 million credit for a pipeline replacement program on cast iron and bare steel.

- 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

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

Evaluator Notes:
State developed a process when developing a potential compliance action. They will deploy experienced auditors to respective pipeline operators and conduct a "management practices" review. This aids the State in understanding potential system/culture deficiencies with that operator, and is used in support of the development of show-cause (enforcement) actions.
This appears to be a best practice.

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



PART E - Incident Investigations

Points(MAX) Score

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

Evaluator Notes:

Yes, this is listed in FL PSC Standard Operating Procedures 1122.

- 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:

a. Yes, FL PSC requires all operators to telephonically notify Program Manager or Region Pipeline Safety Inspector when an incident occurs. If a change in staff occurs, operators are provided with contact personnel and telephone numbers to use during and after normal work hours when an incident occurs. The operator is required to go down the list of personnel until a person answers. b. Yes, Rick Moses is familiar with the requirements contained in Appendix D & E located in the Guidelines for States Participating in the Pipeline Safety Program.

- 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:

There were no reportable incidents in CY2017

- 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 reportable incidents in CY2017

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

Evaluator Notes:

No reportable incidents in CY2017

- 6 Did the state assist Region Office or Accident Investigation Division (AID) by taking appropriate follow-up actions related to the operator incident reports to ensure accuracy and final report has been received by PHMSA? (validate report data from operators concerning incidents/accidents and investigate discrepancies) Chapter 6 1 1
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

State assisted Southern Region with evaluating myriad NRC notifications, but otherwise, no reportable incidents in CY2017.

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

Evaluator Notes:
Yes

- 8 General Comments: Info Only Info Only

Info Only = No Points

Evaluator Notes:

Total points scored for this section: 6
Total possible points for this section: 6



PART F - Damage Prevention

Points(MAX) Score

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

Evaluator Notes:

Yes, FL PSC inspectors continue check this item during the standard evaluation of the operator. This item is listed on page 4 under 192.614, item number 6 of FL PSC Form GS-3.

- | | | | |
|---|--|---|---|
| 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, FL PSC inspectors continue check this item during the standard evaluation of the operator. This item is listed on page 4 under 192.614, item number 6 of FL PSC Form GS-3.

- | | | | |
|---|--|---|---|
| 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, Program Manager has participated in discussions with operators and the Sunshine 811 organization.

- | | | | |
|---|--|---|---|
| 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 | 1 |
|---|--|---|---|

Evaluator Notes:

FL PSC needs to develop a better understanding of excavation damages, trends and root causes. Though Sunshine 811 has primary accountability for the enforcement of excavation laws, the FL PSC should better understand the role pipeline operators play in excavation safety and where improvement are needed.

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

Evaluator Notes:

Total points scored for this section: 7
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:

Florida Public Utilities Company

Name of State Inspector(s) Observed:

Norman Witman and Rafael Bohorguez

Location of Inspection:

209 N Sapodilla Avenue, West Palm Beach, FL 33401

Date of Inspection:

Junr 5, 2018

Name of PHMSA Representative:

David Appelbaum and Leonard Steiner

Evaluator Notes:

Florida Public Utilities is a subsidiary of Chesapeake Utilities Corporation

Company representatives included:

Douglass Moreland, Manager, Gas Operations

Danielle Manuel, Gas Operations Standards Manager

Walter Rossetto, Compliance Manager

Mike McCarty, Director, Measurement and Compliance

- 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:

FPUC was given more than a month's notice of this 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:

Yes, the following forms were used: GS-13 Annual Natural Gas Pipeline Safety Summary, Canal Crossings, GS-04 Corrosion Control Survey, GS-05 Pressure Regulator Station, PHMSA Form 24 DIMP, GS-06 Odorization, GS-14 Valves and GS-15 Excess Flow Valves.

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

Evaluator Notes:

Yes, Norman Witman, a seasoned veteran with the FPSC was training Rafael Bohorguez. A thoroughly documented inspection was conducted and Rafael was observed writing down notes, to include cathodic protection readings and pressure relief settings at the inspection sites. Both inspectors displayed a good command presence the operator expressed appreciation for feedback/suggestions.

- 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:

Yes, appropriate equipment and calibrations were verified.

- 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:

Inspectors reviewed written procedures, corrosion control records, gate & service test stations and pipeline electrical survey documents. Field inspections were performed on two separate days reviewing gate & regulator stations, pipe-to-soil readings and section/emergency valves.

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

Evaluator Notes:

Norman Witman is a 49-year veteran with the FPSC and demonstrated high proficiency with the Program. He was training Rafael Bohorguez, who did not hesitate to ask questions or challenge operator responses. Rafael displayed the characteristics of a good inspector and should prove to be an asset to the FPSC.

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

Evaluator Notes:

Yes, the inspectors did a preliminary exit interview and shared observations. They also provided recommendations on a number of items. A second and final exit interview was scheduled for the following day.

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

Evaluator Notes:

No probable violations were found, but observations and recommendations were shared.

- | | | | |
|----|---|-----------|-----------|
| 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 = No Points | Info Only | Info Only |
|----|---|-----------|-----------|

- 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 | <input checked="" type="checkbox"/> |
| v. | Overpressure Safety Devices | <input checked="" 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 checked="" 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 checked="" type="checkbox"/> |
| J. | Other | <input type="checkbox"/> |

Evaluator Notes:

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



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

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

Evaluator Notes:

N/A

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

Evaluator Notes:

N/A

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

Evaluator Notes:

N/A

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

Evaluator Notes:

N/A

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

Evaluator Notes:

N/A

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

Evaluator Notes:

N/A

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

Evaluator Notes:

N/A

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

Evaluator Notes:

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

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

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

Evaluator Notes:

N/A

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

Evaluator Notes:

N/A

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

Evaluator Notes:

N/A

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

Evaluator Notes:

N/A

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

Evaluator Notes:

N/A

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

Evaluator Notes:

N/A

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

Evaluator Notes:

N/A

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