



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

Minnesota Office of Pipeline 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: Minnesota

Agency Status:

Date of Visit: 07/09/2018 - 07/13/2018

Agency Representative: Jon Wolfgram

PHMSA Representative: Michael Thompson

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

Name/Title: Ramona L. Dohman, Commissioner

Agency: Minnesota Office of Public Safety

Address: 445 Minnesota Street, Suite 1000

City/State/Zip: St Paul, MN 55101

Rating:

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

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
B	Program Inspection Procedures
C	Program Performance
D	Compliance Activities
E	Incident Investigations
F	Damage Prevention
G	Field Inspections
H	Interstate Agent State (If Applicable)
I	60106 Agreement State (If Applicable)

10	9.5
13	13
44	44
15	15
11	11
8	8
12	12
3	3
0	0

TOTALS

116 115.5

State Rating

99.6

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: Yes, reviewed and verified records			
2	Review of Inspection Days for accuracy - Progress Report Attachment 2 Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: Yes, reviewed inspection reports and records to verify the numbers.			
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: Yes, reviewed MNOPS records and compared with PHMSA Data Mart.			
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, reviewed MNOPS and PHMSA Data Mart records.			
5	Accuracy verification of Compliance Activities - Progress Report Attachment 5 Yes = 1 No = 0 Needs Improvement = .5	1	0.5
Evaluator Notes: The Probable violations numbers found on the 2016 progress report do not match the numbers to begin with on the 2017 progress report. The 2016 progress report ends with 76 remaining probable violations and the 2017 progress report show it beginning with only 58. These numbers should be the same. The number left at the end of the year should be exactly the same as the number to start the next year. MNOPS needs to find a way to track probable violations that would ensure these numbers are 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: Yes, the program files are all electronic and easily reviewed.			
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: Yes, MNOPS tracks inspector training and their records match what is available on PHMSA TQ - SABA			
8	Verification of Part 192,193,198,199 Rules and Amendments - Progress Report Attachment 8 Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: Yes, all changes are automatically adopted by Statute MN Statute 216D, MN Statute 299F.57 and MN Statute '299F.64			

- 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, MNOPS did a good job covering their accomplishments of 2017 in the progress report.

10 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

A5 = The Probable violations numbers found on the 2016 progress report do not match the numbers to begin with on the 2017 progress report. The 2016 progress report ends with 76 remaining probable violations and the 2017 progress report show it beginning with only 58.

These numbers should be the same. The number left at the end of the year should be exactly the same as the number to start the next year. MNOPS needs to find a way to track probable violations that would ensure these numbers are accurate. (-0.5 points)

Total points scored for this section: 9.5
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, It is covered in the MNOPS procedures manual in section 5. (5.1, 5.2)

- | | | | |
|---|--|---|---|
| 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, It is covered in their procedures manual in section 5. (5.2.3b)

- | | | | |
|---|--|---|---|
| 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, It is covered in their procedures manual in section 5. (5.2.4)

They complete a Protocol 1-8 inspection every five years, and do a protocol 9 inspection during construction inspections.

- | | | | |
|---|---|---|---|
| 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, It is covered in their procedures manual in section 5. (5.2.6)

They cover each operator using a risk base generated inspection process.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

They cover this in their procedures manual in section 5.2.3.

They conduct an annual operator seminar that covers such topics as How to fill out an annual report, Damage Prevention topics, Emergency Response and Incident Investigation. They also do training as requested by individual operators.

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

Their construction inspection procedures are in the manual in section 5.2. Their construction inspections are conducted from a program on their Phones or iPads/ Tablets. It is a step by step process that follows each construction activities.

They have a Pre/Post inspection activities covered.

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

They have a very well developed risk ranking system for planning inspections and follow it up by having formal meetings with the inspectors after the inspection schedule has been determined to insure it is the best possible ranking for each operator.

8 General Comments:

Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

Total points scored for this section: 13
Total possible points for this section: 13



PART C - Program Performance

Points(MAX) Score

- 1 Was ratio of Total Inspection person-days to total person days acceptable? (Director of State Programs may modify with just cause) Chapter 4.3 5 5
Yes = 5 No = 0

A. Total Inspection Person Days (Attachment 2):
1116.14

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 12.08 = 2658.52

Ratio: A / B
1116.14 / 2658.52 = 0.42

If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0
Points = 5

Evaluator Notes:

Yes, the ratio was acceptable.
220 X 12.08 = 2657.6
1116.14 / 2657.6 = .42

.42 > .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 <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:

Yes. In 2017, 12 of 16 total inspectors were level 1 or 2. Required TQ training is completed for inspectors within the specified 5 years. Several inspectors are qualified for Root Cause. Some inspectors attended courses at the Fisher Regulator school and a NACE seminar in 2017.

- 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, Jon is very knowledgeable about the PHMSA program and regulations and is very engaged in the work.

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

Evaluator Notes:

No response was necessary for the 2016 evaluation.

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

Evaluator Notes:

Yes, they held a state safety seminar in April 2017 without TQ support. The last seminar held with TQ support was in April of 2015.

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

Evaluator Notes:

Yes, this was verified during the review of last years inspections.

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

Evaluator Notes:

Yes, MNOPS uses IA to conduct the majority of it's inspections along with federal forms.

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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 | NA |
|----------|---|---|----|

Evaluator Notes:

No Cast Iron in state

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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 | NA |
|----------|--|---|----|

Evaluator Notes:

No Cast Iron in State

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

Evaluator Notes:

Yes, they have question on their inspection form for standard inspections under 192.315 - 4.10 and on their accident inspection form.

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

Evaluator Notes:

Yes, this is part of their standard inspection and is looked at on each incident inspection.

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

Evaluator Notes:

The Annual Reports serve as a large part of their inspection planning process.

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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, they have a question in the inspection form that is set up to start a discussion.

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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, they complete a form 13 with every Records/Field inspection. 87 were completed in 2016 and 17 in 2017.

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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, full OQ inspections are planned to be completed every five years. They completed a bulk of them in 2015 and cleaned up in 2016.

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

Evaluator Notes:

Yes, they are scheduled and completed as planned. They do a part of their largest operator (Center Point) every year on plan

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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, all inspectors do DIMP inspections. They have completed all plan inspections and implementation inspections within the last 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:

Yes, they have been completed and are scheduled to be done again as part of the plan for 2019 and 2020.

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

Evaluator Notes:

Yes, the MNOPS has a website where all enforcement actions are posted with other information and resources. It scores

about 5th in the nation by the Pipeline Safety Trust. They are also involved in a lot of outreach efforts for Damage Prevention.

-
- 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, they had 4 SRC's and acted on all.

- 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:

This is part of their DIMP efforts. Center Point and Minnesota Energy have removed all PVC from their systems.

- 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, Jon has responded to NAPSRS surveys and was part of the GAO survey on interstate agent programs.

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

Evaluator Notes:

Yes, MNOPS had 4 waivers listed. Jon has reviewed them and found that 2 are obsolete due to changes in the regulations, 1 is closed and 1 is from 2014 for operator to do IM replacement assessments as part of a long term project. He will contact PHMSA to make sure the others are formally closed.

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

Evaluator Notes:

Yes, Jon, the program manager attended in 2017.

- 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:

Yes, No negative trends were identified. Jon commented to review the metrics at least annually.

- 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:

MNOPS used 10 years of inspection data to average out the minimum number of days required to complete inspections. They used the minimum 5 year inspection schedule to come up with the minimum number,. However, they are conducting records and field inspections for all distribution operators annually and the numbers are not close to what is actually being completed. Jon will rework the numbers and bring the estimate closer to the actual inspection days completed.

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

Evaluator Notes:

N/A

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

Evaluator Notes:

Total points scored for this section: 44
Total possible points for this section: 44



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:

Inspectors are responsible for tracking the status of NPV found and issued for the inspections they have completed.
Closing letters for inspections with PV's are handled by the Program Manager after notification and review by the inspector.

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

Yes, the process is set up to have the inspectors and supervisors follow each PV until it is cleared. Each exit interview is documented and letters are sent within the prescribed time frame.

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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, these were verified while reviewing the inspection records.

- | | | | |
|----------|---|----------|----------|
| 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, this is covered in section 5.3.2.2 of their procedures manual.

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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 Needs Improvement = 1 | 2 | 2 |
|----------|---|----------|----------|

Evaluator Notes:

Yes, Jon is very familiar with the states process for imposing civil penalties.

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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:

Their Civil Penalty limits are \$100,000.00 to \$1,000,000.00

7 General Comments:

Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

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, in section 6 of the MNOPS procedures manual. It covers all aspects of Incident inspection and reporting.

- | | | | |
|----------|---|---|---|
| 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 <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:

Yes, in section 6.1.3 of the MNOPS procedures manual.

- | | | | |
|----------|---|---|---|
| 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, the cover this activity in section 6.3 of the MNOPS procedures manual.

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|----------|---|---|---|
| 4 | Were all incidents investigated, thoroughly documented, and with conclusions and recommendations? | 3 | 3 |
|----------|---|---|---|

Yes = 3 No = 0 Needs Improvement = 1-2

- | | | | | |
|----|---|--------------------------------------|--------------------------|---|
| a. | Observations and document review | Yes <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 when appropriate | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

Evaluator Notes:

Yes, this was verified during the review of all incident reports.

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

Yes = 1 No = 0

Evaluator Notes:

Yes, 3 PV's were found on the Minnehaha incident. This incident is still under investigation.

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

Yes, MNOPS is an interstate agent.

- | | | | |
|----------|---|---|---|
| 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, they share their information at the annual NAPS SR region meeting.

8 General Comments:

Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

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



PART F - Damage Prevention

Points(MAX) Score

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

Evaluator Notes:

This question is being covered in DIMP inspections as one of the considerations in the IA inspection process. It was not covered anywhere else.
It is now part of their electronic Construction Inspection form, and they added a question to the Standard records inspection during this evaluation.

- | | | | |
|---|--|---|---|
| 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, this is part of their DP inspection process. Each excavator and operator is required by law to belong to the One Call and use the service.

- | | | | |
|---|--|---|---|
| 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, the state works closely with operators and excavators to provide information and training on the One Call law. In 2017 they conducted over 1100 hours of training sessions with more than 6300 attendees throughout the state.

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

Yes, the MNOPS collects this data thru two different processes. 1. a volunteer process for non pipeline hits, and 2. a required process for excavators and operators. This data is used in many ways by the MNOPS for trending and analysis.

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

Evaluator Notes:

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

PART G - Field Inspections

Points(MAX) Score

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

Name of Operator Inspected:

1. NSP Brainerd / 2. Dooley's Natural Gas / 3. Excel Energy

Name of State Inspector(s) Observed:

1. Thomas Coffman / 2. Jon Sogard / 3. Scott Hand

Location of Inspection:

1. Brainerd, MN area / 2. Belgrade, MN area / 3. Woodbury, MN

Date of Inspection:

1. 8-7-2018 / 2. 8-8-2018 / 3. 8-9-2018

Name of PHMSA Representative:

PHMSA representative

Evaluator Notes:

test notes by Carrie

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

Evaluator Notes:

1. Yes, the operator was give notice of inspection well in advance of the date.
2. Yes, the operator was give notice of inspection well in advance of the date.
3. Yes, the operator was give notice of inspection well in advance of the date.

- 3 Did the inspector use an appropriate inspection form/checklist and was the form/checklist used as a guide for the inspection? (New regulations shall be incorporated) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

1. Inspection was conducted using the PHMSA IA process and forms.
2. Inspection was conducted using the PHMSA IA process and forms as well as copies of MNOPS check sheets..
3. Inspection was conducted using the PHMSA IA process and forms as well as copies of MNOPS check sheets.

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

Evaluator Notes:

1. Yes the inspector used his tablet to keep notes and photograph physical facilities.
2. Yes the inspector used his tablet to keep notes and photograph physical facilities.
3. Yes the inspector used his tablet to keep notes and photograph physical facilities.

- 5 Did the inspector check to see if the operator had necessary equipment during inspection to conduct tasks viewed? (Maps,pyrometer,soap spray,CGI,etc.) 1 1
Yes = 1 No = 0

Evaluator Notes:

1. Yes, the inspector requested and reviewed the documentation and calibration information for all the necessary equipment used by the operator during the inspection.
2. Yes, the inspector requested and reviewed the documentation and calibration information for all the necessary equipment used by the operator during the inspection.

3. Yes, the inspector requested and reviewed the documentation and calibration information for all the necessary equipment used by the operator during the inspection.

- | | | | |
|----------|--|-------------------------------------|---|
| 6 | Did the inspector adequately review the following during the field portion of the state evaluation? (check all that apply on list)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
| a. | Procedures | <input checked="" type="checkbox"/> | |
| b. | Records | <input checked="" type="checkbox"/> | |
| c. | Field Activities | <input checked="" type="checkbox"/> | |
| d. | Other (please comment) | <input type="checkbox"/> | |

Evaluator Notes:

1. 2. & 3. Yes the inspector requested and reviewed all necessary procedures and records for the activities being inspected in the field.

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

1. Yes the inspector has adequate knowledge of the pipeline safety program and regulations.
2. Yes the inspector has adequate knowledge of the pipeline safety program and regulations. The inspector has a few years of field experience and should devote as much time as possible in the field.
3. Yes the inspector has adequate knowledge of the pipeline safety program and regulations. The inspector has a few years of field experience and should devote as much time as possible in the field.

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

1. Yes
2. Yes
3. Yes

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

1. 2. & 3. No probable violations were identified during this 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 = No Points | Info Only | Info Only |
| a. | Abandonment | <input type="checkbox"/> | |
| b. | Abnormal Operations | <input type="checkbox"/> | |
| c. | Break-Out Tanks | <input type="checkbox"/> | |
| d. | Compressor or Pump Stations | <input 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 checked="" 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 type="checkbox"/> |
| n. | Liaison with Public Officials | <input 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 checked="" type="checkbox"/> |
| t. | Navigable Waterway Crossings | <input type="checkbox"/> |
| u. | Odorization | <input checked="" type="checkbox"/> |
| v. | Overpressure Safety Devices | <input checked="" type="checkbox"/> |
| w. | Plastic Pipe Installation | <input checked="" type="checkbox"/> |
| x. | Public Education | <input type="checkbox"/> |
| y. | Purging | <input type="checkbox"/> |
| z. | Prevention of Accidental Ignition | <input checked="" type="checkbox"/> |
| A. | Repairs | <input type="checkbox"/> |
| B. | Signs | <input checked="" type="checkbox"/> |
| C. | Tapping | <input type="checkbox"/> |
| D. | Valve Maintenance | <input checked="" type="checkbox"/> |
| E. | Vault Maintenance | <input type="checkbox"/> |
| F. | Welding | <input checked="" 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:

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

Evaluator Notes:

Yes. The PHMSA Inspection Assistant was used for all interstate inspection as requested by PHMSA.

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

Evaluator Notes:

Yes. IA was used for the inspections, which makes them part of PHMSA's permanent record.

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

Evaluator Notes:

Yes, the IA process is automatic and inspections are submitted in real time.

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

No Probable Violations were identified in inspections.

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

No conditions were identified during the inspections.

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

No PV's were found during the inspections.

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

No PV's were identified during the inspections.

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

Evaluator Notes:

Total points scored for this section: 3
Total possible points for this section: 3

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:

State does not have a 60106 agreement.

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

State does not have a 60106 agreement.

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

State does not have a 60106 agreement.

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

State does not have a 60106 agreement.

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

State does not have a 60106 agreement.

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

State does not have a 60106 agreement.

- | | | | |
|----------|--|-----------|-----------|
| 7 | 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