



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

1200 New Jersey Avenue SE
Washington DC 20590

2017 Hazardous Liquid State Program Evaluation

for

Washington Utilities and Transportation Commission

Document Legend

PART:

- O -- Representative Date and Title Information
- A -- Progress Report and Program Documentation Review
- B -- Program Inspection Procedures
- C -- Program Performance
- D -- Compliance Activities
- E -- Accident Investigations
- F -- Damage Prevention
- G -- Field Inspections
- H -- Interstate Agent State (if applicable)
- I -- 60106 Agreement State (if applicable)



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

State Agency: Washington

Agency Status:

Date of Visit: 09/10/2018 - 09/28/2018

Agency Representative: Sean Mayo, Director Pipeline Safety Program
Joe Subsits, Chief Engineer
Debbie Becker, Operations Manager
Kali Wraspir, Transportation Specialist
Denis Crawford, Admin. Assistant

Rating:

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

PHMSA Representative: Glynn Blanton, PHMSA State Programs
David Appelbaum, PHMSA State Programs

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

Name/Title: David W. Danner, Chairman
Agency: Washington Utilities and Transportation Commission
Address: 1300 South Evergreen Park Drive
City/State/Zip: Olympia, WA 98502

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

10 10
13 13
40 39
15 15
11 11
8 8
12 12
6 6
0 0

TOTALS

115 114

State Rating

99.1

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:

Number of inspection units performed in CY17 was less than CY16. BP North America has an Intrastate Crude Oil (Cherry Point) and Intrastate HVL Flamm Toxic (Cherry Point Butane). These are counted as two operations but under one OPID, because of the separate product that is being handled.
Olympic Pipeline has two types of operations under one OPID. Olympic (Laterals) falls under Intrastate Refined and they have an Interstate Refined (HQ, North, South).

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

Evaluator Notes:

Number of total inspection days was 67.93 compared to last year's 73.03.

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

No issues with list of operators and totals match attachment 1.

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

One incident listed. McChord Pipeline Company had a spill resulting a directional drill and the release of jet fuel. Estimated loss of product and cost was \$1.29 M

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

Evaluator Notes:

No issues with compliance action. One compliance action was taken in CY2017.

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|----------|---|---|---|
| 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 and accessible by link or data base programs. No areas of concern.

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|----------|--|---|---|
| 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, verification in SABA system confirm all inspectors except two have met the Liquid Standard Inspection Training requirements.

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

Evaluator Notes:

Amendments 101 - 82 and 27 - 82 will be reviewed by the WUTC for adoption during the 2018 annual adoption by reference rulemaking; which will take place the first half of 2018. Civil penalty amount is the same as the Federal limit \$200,000/\$2M

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

Evaluator Notes:

No issues with description of past and future goals.

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

Evaluator Notes:

No loss of points occurred in this section of the review.

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, this information is in Washington Utilities & Transportation Commission Pipeline Safety Policy & Procedures Manual, General Section 14 & Standard Intrastate Inspections & Correspondence and Section 15 Standard Intrastate Inspection & Correspondence.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, this information is in Washington Utilities & Transportation Commission Pipeline Safety Policy & Procedures Manual and Hazardous Liquid Integrity Management Inspections Section 23 and General Inspection Guidelines Section 14.

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|---|--|---|---|
| 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, this information is in Washington Utilities & Transportation Commission Pipeline Safety Policy & Procedures Manual, General Section 14 & Operator Qualification Inspection Section 17.

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|---|---|---|---|
| 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, this information is located in Washington Utilities & Transportation Commission Pipeline Safety Policy & Procedures Manual, General Section 15, 16 and Damage Prevention Enforcement Section 31.

WUTC should consider amending this procedure to assure there are no limitations in pursuing violations under 192 or 195 when excavation damages are the fault of the operator or their contracted locator.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, this information is in Washington Utilities & Transportation Commission Pipeline Safety Policy & Procedures Manual, Section 27 Operator Training & Technical Assistance.

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|---|--|---|---|
| 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, this information is in Washington Utilities & Transportation Commission Pipeline Safety Policy & Procedures Manual, Section 21 Design and Construction Inspection.

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|----------|---|--------------------------------------|--|
| 7 | Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements?
Yes = 6 No = 0 Needs Improvement = 1-5 | 6 | 6 |
| a. | Length of time since last inspection (Within five year interval) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| b. | Operating history of operator/unit and/or location (includes leakage, incident and compliance activities) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| c. | Type of activity being undertaken by operators (i.e. construction) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| d. | Locations of operators inspection units being inspected - (HCA's, Geographic area, Population Density, etc) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| e. | Process to identify high-risk inspection units that includes all threats - (Excavation Damage, Corrosion, Natural Forces, Outside Forces, Material and Welds, Equipment, Operators and any Other Factors) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| f. | Are inspection units broken down appropriately? | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |

Evaluator Notes:

a thru e. Yes, this information is in Washington Utilities & Transportation Commission Pipeline Safety Policy & Procedures Manual, Section 13 Inspection Scheduling Policy.

f. Inspection units are reviewed by Chief Engineer with inspectors routinely to see if it meets the scope of the inspection program. It was recommended this process be added to the Policy & Procedure Manual.

8 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

The WUTC has generally complied with the requirements of Part B of this evaluation.

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



PART C - Program Performance

Points(MAX) Score

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

A. Total Inspection Person Days (Attachment 2):
67.93

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
 $220 \times 0.71 = 156.20$

Ratio: A / B
 $67.93 / 156.20 = 0.43$

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

Evaluator Notes:

A. Total Inspection Person Days (Attachment 2) = 67.93

B. Total Inspection Person Days Charged to the program ($220 \times$ Number of Inspection person years (Attachment 7)) = 156.2

Formula:- Ratio = A/B = $67.93/156.2 = 0.43$

Rule:- (If Ratio ≥ 0.38 then points = 5 else Points = 0.)

Thus 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 IMP Training before conducting inspection as lead | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c. | Root Cause Training by at least one inspector/prgram manager | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d. | Note any outside training completed | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| 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:

a All inspectors except one have completed the requirements as the lead for OQ inspections.

b. All inspectors except two have completed the requirement for Liquid IM

c. All inspectors except for three have completed the root cause course.

d. Staff members attended the House Fire Investigator course & NSPA 921 Fire and Explosion Investigation.

e. All inspectors except for two have completed the minimum qualification to lead a standard inspection.

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

Evaluator Notes:

A loss of one point occurred due to the Program Manager's limited experience in pipeline safety compliance and enforcement. Mr. Mayo has made good progress in the seven months since becoming the State Program Manager in May 15, 2017.

- 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 Danner's response letter to Mr. Zach Barrett was received on December 27, 2017 and within the required 60 days 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, the last pipeline safety seminar was held in Richland, WA in CY2015. The number of attendees were 73.

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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 | 5 | 5 |
|----------|--|---|---|

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

Evaluator Notes:

Yes, WUTC inspects all units and operators not to exceed five years in accordance to their pipeline safety procedures. A review of records and data base confirm for CY2017 they inspected 9 operators and 17 inspection units.

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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 | 2 | 2 |
|----------|--|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, the WUTC uses IA for their Interstate inspections.

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|----------|--|---|---|
| 8 | Did the state review operator records of previous accidents and failures including reported third party damage and leak response to ensure appropriate operator response as required by 195.402(c)(5)? | 1 | 1 |
|----------|--|---|---|

Yes = 1 No = 0

Evaluator Notes:

Only one excavation damage to liquid pipelines (OPID 31049, Report #1186063) occurred in CY2017. A comprehensive investigation report was produced and reviewed by this writer. No areas of concern.

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|----------|--|---|---|
| 9 | Has the state reviewed Operator Annual reports, along with Incident/Accident reports, for accuracy and analyzed data for trends and operator issues? | 2 | 2 |
|----------|--|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, the annual report and failure report by operators are required by WUTC state rules. WUTC staff uses the information to review trends and analysis of the operator's action. They have developed a fact sheet for each operator for inspection and leak issues.

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|-----------|---|---|---|
| 10 | Has state confirmed intrastate operators have submitted information into NPMS database along with changes made after original submission? | 1 | 1 |
|-----------|---|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, this is addressed in Form D Records and Field Inspection State Checklist Question 1. Minor errors were listed in the NPMS database and it was suggested WUTC contact the operator to correct the errors.

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

Evaluator Notes:

Yes, this is addressed in Pipeline Procedures -15 Standard Intrastate Inspection and Correspondence and Pipeline Procedures -18 Drug and Alcohol Inspection policy. Also listed in Form 13.

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|-----------|---|---|---|
| 12 | Is state verifying operators OQ programs are up to date? This should include verification of any plan updates and that persons performing covered tasks (including contractors) are properly qualified and requalified at intervals determined in the operators plan. 49 CFR 195 Part G | 2 | 2 |
|-----------|---|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, this is addressed in Pipeline Procedure - 15 Standard Inspection and Correspondence and Pipeline Procedures - 17 Operator Qualification Inspections.

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|-----------|---|---|---|
| 13 | Is state verifying operator's hazardous liquid integrity management (L IMP) Programs are up to date? This should include a previous review of LIMP plan, along with monitoring progress on operator tests and remedial actions. In addition, the review should take in to account program review and updates of operators plan(s). (Are the State's largest operators programs being contacted or reviewed annually? Are replies to Operator IM notifications addressed? (formerly part of Question C-10)). 49 CFR 195.452 Appendix C
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|
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Evaluator Notes:

Yes, WUTC deployed IA for these inspections in 2017.

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- | | | | |
|-----------|---|---|---|
| 14 | Is state verifying operators Public Awareness programs are up to date and being followed. State should also verify operators have evaluated Public Awareness programs for effectiveness as described in RP1162. PAPEI Effectiveness Inspections should be conducted every four years by operators. 49 CFR 195.440
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|
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Evaluator Notes:

Yes, WUTC deployed IA for these inspections in 2017.

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- | | | | |
|-----------|--|---|---|
| 15 | Does the state have a mechanism for communicating with stakeholders - other than state pipeline safety seminar? (This should include making enforcement cases available to public).
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|-----------|--|---|---|
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Evaluator Notes:

WUTC meet quarterly with the Citizens Committee on Pipeline Safety. The committee provides suggested topics and items about potential pipeline safety matters to help improve the WUTC pipeline safety program.

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

No SRCRs in 2017

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

Yes, they provided documentation of their participation and response to surveys in CY2017. No areas of concern.

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- | | | | |
|-----------|--|---|----|
| 18 | If the State has issued any waivers/special permits for any operator, has the state verified conditions of those waivers/special permits are being met? This should include having the operator amend procedures where appropriate.
Needs Improvement = .5 No = 0 Yes = 1 | 1 | NA |
|-----------|--|---|----|
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Evaluator Notes:

N/A for CY2017

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

Yes, Sean Mayo and Joe Subsits attended the NAPSRS 2017 Board of Directors meeting in Columbus, OH in September, 2017.

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

All of the metrics are trending in the direction of improvement. It was clear from the discussion with the Program Manager and Supervisor they understand the drivers of the trends.

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

Evaluator Notes:

The SICT tool in 2017 projected 85 days, actual was 68 days. WUTC projects 61.36 days for the liquid program in CY2019.

- 22** 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 - there were no flow reversals, product changes or conversions to service in WA in CY2017.

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

Evaluator Notes:

The WUTC has generally complied with the requirements of Part C of this evaluation.

Total points scored for this section: 39
Total possible points for this section: 40



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:

This is located in the Pipeline Procedure - 25 Compliance Enforcement Tracking Policy, 26 Follow-up Inspection Policy, 34 Compliance and Enforcement Manual and Penalty Recommendation Matrix page 17, and Compliance Tracker.

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

Evaluator Notes:

- a. Yes, a review of compliance action letters sent to Cascade Natural Gas on 01-20-17, Puget Sound Energy on 08-11-17, Puget Sound Energy Pierce on 09-26-17 confirm the letters were sent to the company officer.
- b. Yes, violations were found and noted in the letters.
- c. Probable violations were resolved within the established time schedule.
- d. All violations were reviewed on a bi-weekly schedule.
- e. Yes this is conducted in the exit interview.
- f. Yes, WUTC provides the findings of the inspection to the operator within 45 days of the inspection.

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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 the one written compliance letter sent to Tidewater for 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.

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

Evaluator Notes:

Yes, WUTC, RCW Title 81.88.040 provides the operator and all parties due process including a show cause.

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

Evaluator Notes:

Yes, Sean Mayo is familiar with this process and has issued a civil penalty in the past to several operators. The last civil penalty issued was in CY2017 against Cascade in the amount of \$2.5 M and PSE in the amount of \$2.75 M.

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:

The last civil penalty issued against a liquid operator was in CY2008. However this requirement has been demonstrated in the civil penalties against the gas operators Cascade and PSE in CY2017. No areas of concern.

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

Evaluator Notes:

WUTC has generally complied with the requirements of Part B of this evaluation.

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



PART E - Accident Investigations

Points(MAX) Score

- 1 Does the state have written procedures to address state actions in the event of an incident/accident? 2 2

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, WUTC has procedures that cover from notification to completion of the 30-day reports. Their procedures can be found in Sections 10,19,and 20 of their manual.

PHMSA recommended that WUTC bolster applicable procedures to require a memo to file, or an equivalent, be completed to describe why an on-site investigation was not done.

- 2 Does state have adequate mechanism to receive and respond to operator reports of accidents, including after-hours reports? And did state keep adequate records of Incident/Accident notifications received? Chapter 6 2 2

Yes = 2 No = 0 Needs Improvement = 1

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

Evaluator Notes:

Yes, WUTC procedures can be found in Sections 10 and 19 of their manual. Had discussion on making clear in the procedures that the engineer on call is to contact the Chief Engineer once determined that the call is a reportable incident.

- 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, each incident reviewed was well documented, including contact names, dates, events and evidence.

PHMSA recommended that WUTC bolster applicable procedures to require a memo to file, or an equivalent, be completed to describe why an on-site investigation was not done.

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

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

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

Evaluator Notes:

Yes, each of the incidents that occurred in CY2017 were investigated and thoroughly documented with information and findings of fact. No areas of concern.

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

Yes = 1 No = 0

Evaluator Notes:

Yes, WUTC initiated one compliance action in CY2017 against McChord for incident report #1186063 (Docket-PL-171148). Fines have been levied in CY2018.

- 6 Did the state assist Region Office or Accident Investigation Division (AID) by taking appropriate follow-up actions related to the operator accident reports to ensure accuracy and final report has been received by PHMSA? (validate report data from operators concerning incidents/accidents and investigate discrepancies) Chapter 6 1 1

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, the WUTC procedure #24 calls for the reporting engineer to be responsible for the data input and verifying the 30 day report.

- 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, the Program Manager does this in the state of the state report given at each NAPS annual Western Region meeting.

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

Evaluator Notes:

The WUTC has generally complied with the requirements of Part E of this evaluation.

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? | 2 | 2 |
|---|---|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, this is covered in state Form G2

-
- | | | | |
|---|--|---|---|
| 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? | 2 | 2 |
|---|--|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, reflected in records and field checklists: Form G2

-
- | | | | |
|---|--|---|---|
| 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.) | 2 | 2 |
|---|--|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, WUTC has a dedicated position to damage prevention, and occupies a seat on the State's Dig Law Safety Committee. WUTC has also participated in Dig Law newsletter and various trade shows.

-
- | | | | |
|---|--|---|---|
| 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) | 2 | 2 |
|---|--|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, WUTC uses information from the State's DIRT system and the PHMSA annual report. Data is analyzed by county to determine dig-in rates and routine reports are assessed to look at root causes.

-
- | | | | |
|---|-------------------|-----------|-----------|
| 5 | General Comments: | Info Only | Info Only |
|---|-------------------|-----------|-----------|

Info Only = No Points

Evaluator Notes:

The WUTC has generally complied with the requirements of Part F of this evaluation.

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

PART G - Field Inspections

Points(MAX) Score

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

Name of Operator Inspected:

Targa Sound Terminal LLC

Name of State Inspector(s) Observed:

Scott Anderson, Utility/Energy Engineer III

Location of Inspection:

Tacoma, WA

Date of Inspection:

September 25, 2018

Name of PHMSA Representative:

Glynn Blanton & David Appelbaum

Evaluator Notes:

The inspection was conducted at the offices of Targa Sound Terminal located at 2628 Marine View Drive in Tacoma, WA. The following operator representatives Gregg Johnson, Director of Pipeline Compliance & Matthew Kolata, Senior EH&S Specialist were present. This was a IA inspection conducted by Scott Anderson, WUTC.

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

Evaluator Notes:

Yes, the operator's representative Matthew Kolata was notified on January 26, 2018 by Scott Anderson of the scheduled inspection for September 24-26th.

- 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, Scott Anderson used the IA inspection program to conduct the inspection.

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

Evaluator Notes:

Yes, Scott Anderson was observed entered answers to each of the questions into the IA program. Inspector conducted a thorough records inspection and discovered two violations: one involving a failure to inspect overprotection devices on thermal relief valves, and another where the operator failed to perform a requisite atmospheric corrosion inspection.

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

Evaluator Notes:

Yes, representative Matthew Kolata provided records and information on the cathodic protection and operations of the system to Scott Anderson.

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

a. Procedures

☒

b. Records

☒

c. Field Activities

☐

d. Other (please comment)

☐

Evaluator Notes:

Yes, record reviews were conducted in the office. Field activities were scheduled to be performed on Wednesday September 26th.

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

Yes, Scott Anderson has completed all the required TQ courses to meet the Hazardous Liquid Inspector qualifications. He demonstrated excellent knowledge about the regulations and interpretation of the rules.

- | | | | |
|---|---|---|---|
| 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, Scott Anderson conducted an exist and identified two probable violations.

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

Yes, Scott Anderson found two violations of the MFSS. One violation involved a failure to inspect overprotection devices on thermal relief valves and the other violation was operator's failure to perform a requisite atmospheric corrosion inspection. A letter of non-compliance will be sent to the operator to correct the violations and notified what action will be performed.

- | | | | |
|----|--|-----------|-----------|
| 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 checked="" type="checkbox"/> |
| c. | Break-Out Tanks | <input checked="" 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 type="checkbox"/> |
| h. | Cast-iron Replacement | <input type="checkbox"/> |
| i. | Damage Prevention | <input type="checkbox"/> |
| j. | Deactivation | <input type="checkbox"/> |
| k. | Emergency Procedures | <input checked="" type="checkbox"/> |
| l. | Inspection of Right-of-Way | <input type="checkbox"/> |
| m. | Line Markers | <input type="checkbox"/> |
| n. | Liaison with Public Officials | <input checked="" type="checkbox"/> |
| o. | Leak Surveys | <input type="checkbox"/> |
| p. | MOP | <input type="checkbox"/> |
| q. | MAOP | <input type="checkbox"/> |
| r. | Moving Pipe | <input type="checkbox"/> |
| s. | New Construction | <input type="checkbox"/> |
| t. | Navigable Waterway Crossings | <input type="checkbox"/> |
| u. | Odorization | <input type="checkbox"/> |
| v. | Overpressure Safety Devices | <input checked="" type="checkbox"/> |
| w. | Plastic Pipe Installation | <input type="checkbox"/> |
| x. | Public Education | <input checked="" type="checkbox"/> |
| y. | Purging | <input type="checkbox"/> |

- | | | |
|----|-----------------------------------|-------------------------------------|
| z. | Prevention of Accidental Ignition | <input type="checkbox"/> |
| A. | Repairs | <input type="checkbox"/> |
| B. | Signs | <input type="checkbox"/> |
| C. | Tapping | <input type="checkbox"/> |
| D. | Valve Maintenance | <input checked="" type="checkbox"/> |
| E. | Vault Maintenance | <input type="checkbox"/> |
| F. | Welding | <input type="checkbox"/> |
| G. | OQ - Operator Qualification | <input checked="" type="checkbox"/> |
| H. | Compliance Follow-up | <input type="checkbox"/> |
| I. | Atmospheric Corrosion | <input type="checkbox"/> |
| J. | Other | <input type="checkbox"/> |

Evaluator Notes:

A review of maintenance records, public awareness plan, operator qualifications, overpressure protection and other documentations were reviewed during the audit.

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

Evaluator Notes:

Yes, WUTC uses the PHMSA - IA program.

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

Evaluator Notes:

Yes, WUTC uses a tracking sheet.

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

Evaluator Notes:

Yes, all were submitted within the 60 day window. (WUTC has an internal 45 day metric).

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

Evaluator Notes:

No probable violations were referred to PHMSA in CY2017.

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

Evaluator Notes:

WUTC follows procedure 16, none were discovered in CY2017.

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

Evaluator Notes:

WUTC follows their procedure 16, and they have an internal notification requirement of 45 days.

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

A PHMSA violation report is prepared when a violation is discovered following WUTC procedure 16. No probable violations in CY2017.

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

Evaluator Notes:

WUTC has generally complied with the requirements of Part H of this evaluation.

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

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:
NA

- | | | | |
|----------|--|---|----|
| 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:
NA

- | | | | |
|----------|---|---|----|
| 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:
NA

- | | | | |
|----------|---|---|----|
| 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:
NA

- | | | | |
|----------|--|---|----|
| 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:
NA

- | | | | |
|----------|--|---|----|
| 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:
NA

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

Evaluator Notes:
NA

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