



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

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 -- 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: 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

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

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	10
13	13
47	46
15	15
11	11
8	8
12	12
7	7
0	0

TOTALS

123 122

State Rating

99.2

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:

A review of Attachment 1 found the number of operators have increased from 33 to 44 from previous year with the highest number in the master meter category.

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

Evaluator Notes:

Highest number of inspection days were in Construction with lease number in damage prevention. Total number of inspection days were 666.33 compared to last year 634.62.

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

List of Master Meter operators that were added to program was listed in note section. Total number of operators listed 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:

Four incidents occurred in CY2017. A review of incidents determined WUTC did an investigation of each. No issues of concern.

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

Evaluator Notes:

Number of violations to be corrected at end of year is more than 50% higher than previous year. Compliance action taken is 61 for current year. Carryover violations from each year continues to be high. In reviewing the files it was found the majority of the violations were from four master meter operators.

- | | | | |
|----------|---|---|---|
| 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, a review of program files found then to be well-organized with software programs and file folders available.

- | | | | |
|----------|--|---|---|
| 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, a review of TQ records in the SABA system show all inspectors were listed correctly. Two inspectors have not completed all the required courses to meet the Gas Inspector Training requirements.

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

Amendments 120 - 80 and 123 - 82 will be reviewed by the WUTC for adoption during the 2018 annual adoption by

reference rulemaking. This rulemaking will occur during CY2018. WUTC 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
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|--|---|---|

Evaluator Notes:

Excellent description of past and future accomplishments were provided. The document provided a metrics of initiatives and accomplishments pertaining to the pipeline safety program.

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

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 Section 15.

- | | | | |
|---|--|---|---|
| 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, this information is in Washington Utilities & Transportation Commission Pipeline Safety Policy & Procedures Manual and Gas Integrity Management Inspections Section 22 and DIMP Inspection Policy 36.

- | | | | |
|---|--|---|---|
| 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 17.

- | | | | |
|---|---|---|---|
| 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 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.

- | | | | |
|---|--|---|---|
| 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.

- | | | | |
|---|--|---|---|
| 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.

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:

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 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: 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):
666.33

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
 $220 \times 6.29 = 1383.80$

Ratio: A / B
 $666.33 / 1383.80 = 0.48$

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)= 666.33

B.Total Inspection Person Days Charged to the program($220 \times$ Number of Inspection person years(Attachment 7)=1383.8

Formula:- Ratio = A/B = $666.33/1383.8 = 0.48$

Rule:- (If Ratio $\geq .38$ 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 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:

- a. All inspectors except two have completed the requirements as the lead for OQ inspections.
- b. All inspectors except for two have completed the requirement for Gas IM & DIMP
- 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 gas pipeline safety seminar was held in Richland, WA in CY2015. The number of attendees were 73.

- 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 27 operators and 56 inspection units.

- 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, WUTC is using the IA form when conducting inspections on the operators under their jurisdictional authority.

- 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 1 NA
Yes = 1 No = 0

Evaluator Notes:

NA. No cast iron pipe in the State of Washington.

- 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 1 NA
Yes = 1 No = 0

Evaluator Notes:

NA. No cast iron pipe in the State of Washington.

- 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 1 1
Yes = 1 No = 0

Evaluator Notes:

Yes, these items are listed in Form C, Records and Field Inspection state checklist question 31 and Form V, Procedure and Plan Review Question 375 & 376.

- 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 1 1
Yes = 1 No = 0

Evaluator Notes:

Yes, this item is addressed in Form C- Records and Field Inspection State Checklist Question 32 and Form D, Records and Field Inspection State Checklist question 41.

- 12 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, this is addressed in Forms C & D Records and Field Inspection State Checklist page 2.

-
- | | | | |
|-----------|---|---|---|
| 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, 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.

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

Evaluator Notes:

Yes, this 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.

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

Evaluator Notes:

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

-
- | | | | |
|-----------|---|---|---|
| 16 | Is state verifying operator's gas transmission integrity management programs (IMP) are up to date? This should include a previous review of IMP plan, along with monitoring progress on operator tests and remedial actions. In addition, the review should take in to account program review and updates of operators plan(s). (Are the State's largest operators programs being contacted or reviewed annually? Are replies to Operator IM notifications addressed? (formerly part of Question C-13)). 49 CFR 192 Subpart 0
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|

Evaluator Notes:

Yes, this is addressed in Pipeline Procedure - 15 Standard Inspection and Correspondence and Pipeline Procedure - 22 Gas Integrity Management Inspection.

-
- | | | | |
|-----------|--|---|---|
| 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, this is addressed in Pipeline Procedure - 15 Standard Inspection and 36 DIMP Inspection Policy.

-
- | | | | |
|-----------|---|---|---|
| 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, this is addressed in Pipeline Procedure - 30 Public Awareness Program Inspections.

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

Evaluator Notes:

WUTC meets quarterly with the Citizens Committee on Pipeline Safety (CCPS) members. The committee provides suggested topics and items about potential pipeline safety matters to help improve the WUTC pipeline safety program. WUTC staff members attend the January annual CCPS meeting with all operators to discuss pipeline safety matters. This meeting provides additional information to the operator about WUTC inspection program, inspector assignments and other relative information.

- 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:

No safety related condition report in CY2017.

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

Evaluator Notes:

Yes, WUTC has a replacement plan and materials defect report that operators are required by state rules to submit to their agency. WUTC will review all planned pipeline replacement projects to determine if it is justifiable and cost recovery is reasonable and necessary. They will provide this information to the Commissioners who make the final decision on the project(s).

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

Evaluator Notes:

Yes, WUTC has responded to all NAPS and PHMSA survey questions within a reasonable time schedule.

- 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, they have one waiver that was issued in CY2016 on PSE LNG facility located in Tacoma, WA.

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

Evaluator Notes:

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

All of the metrics are trending in the direction of improvement. It was clear from the discussion with Program Manager and

Supervisor they understand the drivers of the trends.

-
- | | | | |
|-----------|--|---|---|
| 26 | Discussion with State on accuracy of inspection day information submitted into State Inspection Day Calculation Tool (SICT) Has the State updated SICT data?
No = 0 Yes = 1 | 1 | 1 |
|-----------|--|---|---|

Evaluator Notes:

Discussed with Sean Mayo the SIDCT. A recent update of information was entered into the SIDCT. It is anticipated the CY2019 inspection person days for the gas program will be 492.

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

Evaluator Notes:

No pipeline flow reversals occurred in CY2017.

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

Evaluator Notes:

A loss of one point occurred in this section. See question C.3.

Total points scored for this section: 46
Total possible points for this section: 47



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 Procedures - 25 Compliance Enforcement Tracking Policy, 26 Follow-up Inspection Policy, 34 Compliance and Enforcement Manual and Penalty Recommendation Matrix page 17, and Compliance Tracker.

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

Evaluator Notes:

- a. 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 officers.
- 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 inspections to the operator within 45 days of the inspection.

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

Evaluator Notes:

Yes, a review of files found 61 violations and compliance actions were issued in CY2017

- | | | | |
|----------|---|----------|----------|
| 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.

- | | | | |
|----------|---|----------|----------|
| 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, 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:

Yes, this was demonstrated in the civil penalties against Cascade and PSE last year.

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

Evaluator Notes:

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

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



PART E - Incident Investigations

Points(MAX) Score

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, this is addressed in the Pipeline Procedures -10 One Call & Telephone Notification, 19 Federal State Cooperation in Case of Accident, 20 Repose to Pipeline Incidents and 24 Investigation Policy.

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

Yes = 2 No = 0 Needs Improvement = 1

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

Evaluator Notes:

Yes, this is addressed in the Pipeline Procedures -10 One Call & Telephone Notification & 19 Federal State Cooperation in Case of Accident

- 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, this is addressed in the Pipeline Procedures -10 One Call & Telephone Notification & 24 Investigation Policy. It was suggested additional guidance be added to WUTC procedures to explain when a decision to "not go to an incident" be included in the note section of their document.

- 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 ☒ No ☐ Needs Improvement ☐
- b. Contributing Factors Yes ☒ No ☐ Needs Improvement ☐
- c. Recommendations to prevent recurrences when 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, compliance action was taken on Cascade Natural Gas requesting information on mitigating threats and steps to insure no maximum allowable pressure will occur due to the incident at Burlington, WA.

- 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, Sean Mayo or Joe Subsits have provided information on incident reports to the PHMSA Region Office and AID. Additional information on this action is described in their written procedures - 24 Investigation Policy.

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

Evaluator Notes:

Yes, Sean Mayo presented information on incidents/accidents in the "State of the States Report" during the 2017 NAPSR Western Region meeting.

8 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

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

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:

Yes, this is addressed in Form C - Records and Field Inspection State Checklist Question 33, Form V Procedure and Plan Review Question 310, Form D Records and Field Inspection State Checklist Question 40 and on-site crew inspection.

- | | | | |
|---|--|---|---|
| 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 addressed in Form C - Records and Field Inspection State Checklist Question 34, Form V Procedure and Plan Review Question 310, Form D Records and Field Inspection State Checklist Question 50 and on-site crew inspection.

- | | | | |
|---|--|---|---|
| 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, this is addressed in RCW 19.122 and Gov. Inslee's Proclamation for Dig Safe in April, 2017.

- | | | | |
|---|--|---|---|
| 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, this is accomplished in the DIRT report and data analysis provided in the Damages by County per 1,000 Locate Requests report.

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

Evaluator Notes:

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

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:
Puget Sound Energy- West County West
Name of State Inspector(s) Observed:
Dave Cullom, Utility/Energy Engineer III
Location of Inspection:
Seattle, WA
Date of Inspection:
September 26-27, 2018
Name of PHMSA Representative:
Glynn Blanton/David Appelbaum

Evaluator Notes:

The office records were reviewed prior to the field portion conducted on September 26 & 27th. The field reviewed included the following: pipe to soil readings, isolation testing, rectifier inspections, pressure regulator and over pressure operation, emergency block valve operation, and odorant concentration testing in the Seattle & King County areas.

- 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, several weeks prior to the inspection David Cullom, WUTC contacted Ms. Stephanie Silva, Gas Compliance Program Manager & Argentina Stefahescu, Compliance Analyst about the scheduled inspection.

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

Evaluator Notes:

Yes, evaluator used printed forms from the IA, which will later be entered into IA.

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

Evaluator Notes:

Yes, Dave Cullom used IA forms while conducting the inspection and kept notes and pictures on the things he observed during the field portion.

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

Evaluator Notes:

Yes, the inspector verified the calibration and maintenance dates for the 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) 2 2
Yes = 2 No = 0 Needs Improvement = 1

- a. Procedures ☒
b. Records ☒
c. Field Activities ☒
d. Other (please comment) ☐

Evaluator Notes:

The inspector reviewed procedures and records during both the office and field portions of the inspection.

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:

Dave Cullom has completed all required TQ training to meet the Gas Inspector qualifications and demonstrated proficient knowledge of the pipeline safety program and regulations.

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

Evaluator Notes:

A partial exit interview was conducted toward the end of day 2, and was done sufficiently to satisfy this requirement. The exit interview was conducted both in the field and operator's operating office.

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, the inspector identified possible violations and concerns and described next steps with the operator.

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 checked="" type="checkbox"/> |
| l. | Inspection of Right-of-Way | <input type="checkbox"/> |
| m. | Line Markers | <input checked="" type="checkbox"/> |
| n. | Liaison with Public Officials | <input type="checkbox"/> |
| o. | Leak Surveys | <input type="checkbox"/> |
| p. | MOP | <input type="checkbox"/> |
| q. | MAOP | <input checked="" type="checkbox"/> |
| r. | Moving Pipe | <input type="checkbox"/> |
| s. | New Construction | <input 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 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 checked="" 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 checked="" type="checkbox"/>
J.	Other	<input type="checkbox"/>

Evaluator Notes:

PHMSA encouraged the inspector to ensure operators conducts safety tailboard meetings with employees when performing relevant tasks for inspection purposes.

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, WUTC uses the PHMSA - IA program.

- | | | | |
|----------|--|---|---|
| 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, this information is located in the State/Federal Work plan and IA Planning Route from the Western Region. Also information is in the work plan tracker and inspection history programs.

- | | | | |
|----------|---|---|---|
| 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, information is submitted within 45 days.

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

Evaluator Notes:

No probable violations were identified but WUTC is familiar with referring the item to PHMSA Western Region.

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

Evaluator Notes:

None were discovered in CY2017.

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

Evaluator Notes:

None were discovered in CY2017.

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

Evaluator Notes:

None were discovered in CY2017. A PHMSA violation report is prepared when a violation is discovered following WUTC Pipeline Procedures 16 document.

- | | | | |
|----------|-----------------------|-----------|-----------|
| 8 | 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: 7
Total possible points for this section: 7

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