



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

COLORADO PUBLIC UTILITIES 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: Colorado

Agency Status:

Date of Visit: 10/29/2018 - 11/02/2018

Agency Representative: Joe Molloy

PHMSA Representative: Michael Thompson

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

Name/Title: Jeffery P. Ackerman, Chairman

Agency: Colorado Public Utilities Commission

Address: 1560 Broadway, Suite 250

City/State/Zip: Denver, Colorado 80202

Rating:

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

INSTRUCTIONS:

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

Field Inspection (PART G):

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

Scoring Summary

PARTS

Possible Points Points Scored

| | |
|---|--|
| A | Progress Report and Program Documentation Review |
| B | Program Inspection Procedures |
| C | Program Performance |
| D | Compliance Activities |
| E | Incident Investigations |
| F | Damage Prevention |
| G | Field Inspections |
| H | Interstate Agent State (If Applicable) |
| I | 60106 Agreement State (If Applicable) |

| | |
|----|------|
| 10 | 9.5 |
| 13 | 12.5 |
| 46 | 45.5 |
| 15 | 15 |
| 11 | 11 |
| 8 | 8 |
| 12 | 12 |
| 0 | 0 |
| 0 | 0 |

TOTALS

115 113.5

State Rating

98.7

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:

Reviewed and found to be accurate.

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

Evaluator Notes:

No issues

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

Reviewed and found accurate.

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

Reviewed all reportable incidents and compared with information from the PHMSA PDM. All accounted for and accurate.

- | | | | |
|---|--|---|-----|
| 5 | Accuracy verification of Compliance Activities - Progress Report Attachment 5 Yes = 1 No = 0 Needs Improvement = .5 | 1 | 0.5 |
|---|--|---|-----|

Evaluator Notes:

The Probable violations numbers found on the 2016 progress report do not match the numbers to begin with on the 2017 progress report. The 2016 progress report ends with 135 remaining probable violations and the 2017 progress report begins with only 123. These numbers should be the same. The number left at the end of the year should be exactly the same as the number to start the next year. CoPUC needs to develop a method to track probable violations that ensures these numbers are accurate. CoPUC is also required to request a change to the numbers on the 2016 & 2017 progress reports to show the accurate numbers. This resulted in a loss of a half point from the Gas program.

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

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

Training records for the CoPUC were reviewed and compared to the training records in PHMSA TQ, SABA system and found to be accurate.

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

Current rulemaking for amendments #118, 119 and 120 taking place now.
Should review statutes next evaluation.

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

Yes

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

Info OnlyInfo Only

Evaluator Notes:

A5 - Accuracy verification of Compliance Activities:

The Probable violations numbers found on the 2016 progress report do not match the numbers to begin with on the 2017 progress report. The 2016 progress report ends with 135 remaining probable violations and the 2017 progress report begins with only 123. These numbers should be the same. The number left at the end of the year should be exactly the same as the number to start the next year. CoPUC needs to develop a method to track probable violations that ensures these numbers are accurate. CoPUC is also required to request a change to the numbers on the 2016 & 2017 progress reports to show the accurate numbers.

This resulted in a loss of a half point from the Gas program.

Total points scored for this section: 9.5
Total possible points for this section: 10



PART B - Program Inspection Procedures

Points(MAX) Score

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

The procedures have been improved over last year and are located in the CoPUC guidelines.

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

Reviewed the procedures and found to be adequate. The process is set up to be incorporated with the use of IA.

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

Reviewed the procedures and found to be adequate. The process is set up to be incorporated with the use of IA.

- | | | | |
|---|---|---|-----|
| 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 | 0.5 |
|---|---|---|-----|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Improvement is needed, the existing procedure needs to cover the broader aspects of the damage prevention inspection and provide more clarity. A loss of .5 Points

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

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

Construction Inspection procedures are adequate.

- | | | | |
|---|---|---|---|
| 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 ☒ No ☐ Needs Improvement ☐

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

The CoPUC uses a risk ranking process that uses information spread sheets that have all data points required in E of this question.

8 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

B4 - Damage Prevention Inspection Procedures:

Improvement is needed, the existing procedure needs to cover the broader aspects of the damage prevention inspection and provide more clarity. A loss of .5 Points

Total points scored for this section: 12.5
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):
484.30

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
 $220 \times 4.03 = 885.50$

Ratio: A / B
 $484.30 / 885.50 = 0.55$

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

Evaluator Notes:

Yes, the inspection day ratio was acceptable.

$220 \times 4.03 = 886.6$ $484.3 / 886.6 = (.546)$

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

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

Evaluator Notes:

Yes, all training was found to be in place after review of the 2017 inspections conducted by the CoPUC and the training records from PHMSA TQ.

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

Evaluator Notes:

Yes, Joe Molloy (Program Manager) showed a more than adequate knowledge of the PHMSA program and regulations.

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

Evaluator Notes:

Yes, the evaluation and letter went to the Chairman on 10/20/2017 and their response was mailed back on 12/14/2017.

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

Evaluator Notes:

Yes, they held a safety seminar with TQ assistance on March 24, 2017.

- 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:

A review of inspections conducted in 2017 showed that the CoPUC is keeping pace with their plan to inspect all types of operators in accordance with the time intervals established in their inspection plan.

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

Evaluator Notes:

Yes, the CoPUC is completely immersed in the IA inspection process.

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

Evaluator Notes:

No known cast iron pipe in Colorado at this time.

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

Evaluator Notes:

No known cast iron pipe in Colorado at this time.

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

Evaluator Notes:

The state is using IA and under question number 7 Emergency Response have guidance in the Legacy form reference.

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

Evaluator Notes:

Yes, as reviewed in incidents.

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

Evaluator Notes:

Yes, this is done as part of inspection planning.

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

Evaluator Notes:

Yes, this is reviewed in the PHMSA PDM under the ,(NPMS vs Annual Reports)

- | | | | |
|-----------|---|---|---|
| 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, the CoPUC has their D&A inspections scheduled for 2019 because they are using IA and not the standard inspection form section E.

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

Evaluator Notes:

Yes, this is looked at during every standard inspection and they are using form 14 while in the field.

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

Evaluator Notes:

Yes, each operator is being meet with quarterly by an engineer who has been assigned the responsibility.

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- | | | | |
|-----------|--|---|---|
| 17 | Is state verifying operator's gas distribution integrity management Programs (DIMP)? This should include a review of DIMP plans, along with monitoring progress. In addition, the review should take in to account program review and updates of operators plan(s). (Are the State's largest operators programs being contacted or reviewed annually?). 49 CFR 192 Subpart P Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|--|---|---|

Evaluator Notes:

Yes, full inspections are planned every 5 years and they are looking at the operators plans on a quarterly basis now.

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- | | | | |
|-----------|---|---|---|
| 18 | Is state verifying operators Public Awareness programs are up to date and being followed. State should also verify operators have evaluated Public Awareness programs for effectiveness as described in RP1162. PAPEI Effectiveness Inspections should be conducted every four years by operators. 49 CFR 192.616 Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|---|---|---|

Evaluator Notes:

Yes, conducting effectiveness inspections every 5 years.

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

Evaluator Notes:

Yes, they use their web-site as the base for their communications with stakeholders and have reached out to the Pipeline Safety Trust to evaluate their site. They have also initiated their own process for issuing Advisory Bulletins.

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

Evaluator Notes:

Yes, they are following up with operators to verify the information and actions taken by the operator.

-
- 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, as found in the DIMP inspection.

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

Evaluator Notes:

Yes, the program manger tracks responses sent for NAPSRS and PHMSA surveys and requests for information.

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

Evaluator Notes:

Improvement needs to be made. The Program Manager was unaware of three existing Waivers. One from 2005, 1995 and 1989 respectively.

The COPUC needs to review the existing waivers and determine if the conditions for them are being met, or if they are even relevant at this time and take action as required.

This resulted in a loss of 05 points from the Gas Safety program.

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

Evaluator Notes:

Yes, the Program Manager attended the National Meeting.

- 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:

Reviewed the metrics with the Program Manager.

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

Evaluator Notes:

Discussed the states accuracy for inspection days in the SICT. They did a good job of estimating the number of days needed to complete the years inspections.

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

Evaluator Notes:

28 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

C23 - State Issued Waivers and Special Permits:

Improvement needs to be made. The Program Manager was unaware of three existing Waivers. One from 2005, 1995 and 1989 respectively.

The COPUC needs to review the existing waivers and determine if the conditions for them are being met, or if they are even relevant at this time and take action as required.

This resulted in a loss of 05 points from the Gas Safety program.

Total points scored for this section: 45.5
Total possible points for this section: 46



PART D - Compliance Activities

Points(MAX) Score

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

Evaluator Notes:

Yes, after review the state does have adequate compliance procedures.

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

Evaluator Notes:

Yes, after review of the inspections and compliance actions taken in 2017.

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

Evaluator Notes:

Yes, numbers found in inspections were verified with the compliance actions taken.

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

Evaluator Notes:

Yes

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

Evaluator Notes:

Yes, the program manger is familiar with the states process.

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

Evaluator Notes:

Yes, the state leveled 25,000.00 in civil penalties in 2017.

7 General Comments:

Info Only = No Points

Evaluator Notes:

Info OnlyInfo Only

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, the state has procedures in place to cover all aspects and actions necessary in the event of an incident or accident.

- 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:

The state needs to add language to their procedure to adequately indicate the acknowledgement of the MOU between the NTSB and PHMSA, and the acknowledgement of the Federal/State cooperation in case of an incident or 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, the procedures are written to call out the information necessary to make the determination of weather or not to go onsite for an incident.

- 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, after review of all reportable incidents for 2017.

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

Evaluator Notes:

Yes, reviewed and verified compliance actions on all found noncompliance's in incident investigations.

- 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, the state has good communications with the Western Region.

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

Evaluator Notes:

Yes, the state shares lessons learned from incident investigations at the NAPSR Western Region meetings each year.

8 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

E2 - The state needs to add language to their procedure to adequately indicate the acknowledgement of the MOU between the NTSB and PHMSA, and the acknowledgement of the Federal/State cooperation in case of an incident or accident.

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, the state inspectors continue to check this item

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

The state is using IA and there is nothing in the forms question or considerations that would steer the inspector to this. The state needs to find a way to get these questions into their inspection process.

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

Evaluator Notes:

Yes, the state works closely with the Colorado One Call Center.

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

Evaluator Notes:

Yes, the state keeps sufficient data thru the states DIRT program.

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

Evaluator Notes:

F2 - Verify operators procedures pertaining to notification of excavation, marking, positive response and the availability to use the one call system.

The state is using IA and there is nothing in the forms question or considerations that would steer the inspector to this.

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

PART G - Field Inspections

Points(MAX) Score

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

Name of Operator Inspected:

1. Colorado Springs Utilities 2. Black Hills Energy

Name of State Inspector(s) Observed:

Kevin Stilson

Location of Inspection:

1. CSU North Operating Center, Colorado Springs 2. Castle Rock, CO

Date of Inspection:

1. April 10-11, 2018, 2. April 12, 2018

Name of PHMSA Representative:

Michael Thompson

Evaluator Notes:

1. 4/10-11/2018 Spent first day and a half with CSU reviewing their OQ plan and procedures, leak survey, valve and regulator station maintenance, patrolling, construction and abandonment records and procedures. Spent half day in field observing a steel to steel pipeline replacement job in Colorado Springs.
2. 4/12/18 Observed inspection of two new construction jobs (Residential Sub divisions) in Castle Rock, CO - Black Hills Energy contractor in morning. Contract crew received call on a dig in on the other side of town so we responded to the location and observed the companies actions for the remainder of the day. (Until the site was made safe)

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

Evaluator Notes:

1. Yes, the inspection schedule was planned well in advance with operator input.
2. Yes, the new construction jobs were identified in advance of the inspection. The emergency third party damage/leak response was not planned.

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

Evaluator Notes:

1. The inspector used the PHMSA IA form to conduct the OQ and standard inspection process for CSU.
2. The inspector kept notes on the activities of the construction inspection and the emergency response observed.

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

Evaluator Notes:

1. Yes the inspector kept notes in the IA inspection program.
2. Yes, the inspector kept notes on what was observed.

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

Evaluator Notes:

1. Yes, the inspector reviewed the equipment and OQ certification on the replacement job site and observed one tie in weld.
2. Yes, the inspector looked over the equipment on each site.

- 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 | <input checked="" type="checkbox"/> |
| b. | Records | <input checked="" type="checkbox"/> |
| c. | Field Activities | <input checked="" type="checkbox"/> |
| d. | Other (please comment) | <input type="checkbox"/> |

Evaluator Notes:

1 & 2, Yes, the inspector did a very thorough job of reviewing the records and procedures for each area he inspected and processes he observed.

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

Evaluator Notes:

1 & 2. Yes, the inspector showed good knowledge of the pipeline safety program and regulations during these inspections.

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

Evaluator Notes:

1. Yes the inspector conducted an exit interview with the CSU compliance rep and lead engineer at the end of the last day.
2. The inspector did touch base with the supervisor on the dig once the area was made safe and will follow up when the company's report is filed.

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

Evaluator Notes:

1. Yes, the inspector let the company reps know where he felt there were violations/concerns of the regulations in his exit.
2. The inspector informed the company reps that there were some concerns and questions that still needed to be discussed and evaluated.

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- | | | | |
|----|--|-----------|-----------|
| 10 | General Comments: 1) What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) 2) Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) 3) Other. | Info Only | Info Only |
|----|--|-----------|-----------|

Info Only = No Points

- | | | |
|----|-------------------------------|-------------------------------------|
| a. | Abandonment | <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 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 type="checkbox"/> |
| r. | Moving Pipe | <input type="checkbox"/> |
| s. | New Construction | <input checked="" type="checkbox"/> |
| t. | Navigable Waterway Crossings | <input type="checkbox"/> |
| u. | Odorization | <input type="checkbox"/> |
| v. | Overpressure Safety Devices | <input type="checkbox"/> |
| w. | Plastic Pipe Installation | <input checked="" type="checkbox"/> |
| x. | Public Education | <input type="checkbox"/> |
| y. | Purging | <input type="checkbox"/> |
| z. | Prevention of Accidental Ignition | <input type="checkbox"/> |
| A. | Repairs | <input checked="" type="checkbox"/> |
| B. | Signs | <input checked="" type="checkbox"/> |
| C. | Tapping | <input type="checkbox"/> |
| D. | Valve Maintenance | <input type="checkbox"/> |
| E. | Vault Maintenance | <input type="checkbox"/> |
| F. | Welding | <input checked="" type="checkbox"/> |
| G. | OQ - Operator Qualification | <input checked="" type="checkbox"/> |
| H. | Compliance Follow-up | <input type="checkbox"/> |
| I. | Atmospheric Corrosion | <input type="checkbox"/> |
| J. | Other | <input type="checkbox"/> |

Evaluator Notes:

1 & 2, The field activities observed were new construction, pipeline replacement and emergency response.

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



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

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

Evaluator Notes:

Colorado PUC is not an Interstate Agent

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

Evaluator Notes:

Colorado PUC is not an Interstate Agent

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

Evaluator Notes:

Colorado PUC is not an Interstate Agent

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

Evaluator Notes:

Colorado PUC is not an Interstate Agent

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

Evaluator Notes:

Colorado PUC is not an Interstate Agent

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

Evaluator Notes:

Colorado PUC is not an Interstate Agent

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

Colorado PUC is not an Interstate Agent

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

Evaluator Notes:

Colorado PUC is not an Interstate Agent

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

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

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

Evaluator Notes:

Colorado does not have a 60106 agreement

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

Evaluator Notes:

Colorado does not have a 60106 agreement

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

Evaluator Notes:

Colorado does not have a 60106 agreement

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

Evaluator Notes:

Colorado does not have a 60106 agreement

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

Evaluator Notes:

Colorado does not have a 60106 agreement

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

Evaluator Notes:

Colorado does not have a 60106 agreement

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

Evaluator Notes:

Colorado does not have a 60106 agreement

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