



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

1200 New Jersey Avenue SE
Washington DC 20590

2011 Natural Gas State Program Evaluation

for

Alabama Public Service 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)



2011 Natural Gas State Program Evaluation -- CY 2011
Natural Gas

State Agency: Alabama

Agency Status:

Date of Visit: 09/17/2012 - 09/21/2012

Agency Representative: Wallace Jones, Director Pipeline Safety

PHMSA Representative: Don Martin, State Programs Coordinator

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

Name/Title: Lucy Baxley, President

Agency: Alabama Public Service Commission

Address: P. O. Box 304260

City/State/Zip: Montgomery, Alabama 36130-4260

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 2011 (not the status of performance at the time of the evaluation). All items for which criteria have not been established should be answered based on the PHMSA representative's judgment. A deficiency in any one part of a multiple part question should be scored as needs improvement. Determine the answer to the question then select the appropriate point value. If a state receives less than the maximum points, include a brief explanation in the space provided for general comments/regional observations. If a question is not applicable to a state, select NA. Please ensure all responses are COMPLETE and ACCURATE, and OBJECTIVELY reflect state program performance. Increasing emphasis is being placed on performance. This evaluation together with selected factors reported in the state's annual progress report attachments provide the basis for determining the state's pipeline safety grant allocation.

Field Inspection (PART G):

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

Scoring Summary

PARTS

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

Possible Points Points Scored

10	10
15	15
43	43
14	14
7	7
8	8
11	11
0	0
0	0

TOTALS

108 108

State Rating **100.0**

PART A - Progress Report and Program Documentation Review

Points(MAX) Score

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|----------|---|---|---|
| 1 | Accuracy of Jurisdictional Authority and Operator/Inspection Units Data - Progress Report Attachment 1 (A1a)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

The information contained in Attachment 1 and 2 was verified from the APSC's operator records. The jurisdiction information was entered correctly.

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| 2 | Review of Inspection Days for accuracy - Progress Report Attachment 2 (A1b)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

The inspection person days on Attachment 2 were supported by the APSC's 2011 inspection records.

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| 3 | Accuracy verification of Operators and Operators Inspection Units in State - Progress Report Attachment 3 (A1c)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

The APSC operator and inspection unit records were consistent with the entries on Attachment 3.

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| 4 | Were all federally reportable incident reports listed and information correct? - Progress Report Attachment 4 (A1d)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

The incidents contained in PHMSA's incident database were present in Attachment 4. There was one incident reported in 2011 that met federal reporting requirements. It was an incident on a distribution system in Birmingham, AL.

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| 5 | Accuracy verification of Compliance Activities - Progress Report Attachment 5 (A1e)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

Compliance activity information on Attachment 5 was supported by the APSC's inspection and compliance records.

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| 6 | Were pipeline program files well-organized and accessible? - Progress Report Attachment 6 (A1f, A4)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
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Evaluator Notes:

The inspection reports for 2011 were easy to access for a random selection of reports to review. The APSC maintains hard copy files and electronic files.

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| 7 | Was employee listing and completed training accurate and complete? - Progress Report Attachment 7 (A1g)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

No issues were found with Attachment 7.

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| 8 | Verification of Part 192,193,198,199 Rules and Amendments - Progress Report Attachment 8 (A1h)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|----------|---|---|---|

Evaluator Notes:

No discrepancies were found regarding the jurisdiction and adoption of amendments.

- 9 List of Planned Performance - Did state describe accomplishments on Progress Report in detail - Progress Report Attachment 10 (H1-3) 1 1
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

The accomplishments were described in detail and covered several performance goals. The APSC could be more descriptive in its assessment of performance related to each inspection type planned in its annual inspection plan along with meeting inspection person days goals.

10 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

The APSC generally complied with the requirements of Part A of this evaluation.

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



PART B - Program Inspection Procedures

Points(MAX) Score

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|---|---|---|
| 1 Standard Inspections (B1a)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|

Evaluator Notes:

The APSC inspection procedures utilizes a risk ranking model to prioritize operators and units to be inspected each year. The procedures state that each operator and unit must be inspected annually. A Standard inspections can be one of those inspections.

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|--|---|---|
| 2 IMP Inspections (including DIMP) (B1b)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

The APSC inspection procedures utilizes a risk ranking model to prioritize operators and units to be inspected each year. The procedures state that each operator and unit must be inspected annually. An IMP Inspection can be one of those inspections.

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|--|---|---|
| 3 OQ Inspections (B1c)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

The APSC inspection procedures utilizes a risk ranking model to prioritize operators and units to be inspected each year. The procedures state that each operator and unit must be inspected annually. An OQ inspection can be one of those inspections.

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|---|---|---|
| 4 Damage Prevention Inspections (B1d)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|---|---|

Evaluator Notes:

The APSC inspection procedures utilizes a risk ranking model to prioritize operators and units to be inspected each year. The procedures state that each operator and unit must be inspected annually. A damage prevention inspection can be one of those inspections.

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|---|---|---|
| 5 On-Site Operator Training (B1e)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|---|---|

Evaluator Notes:

On-site operator training is scheduled on as needed basis.

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| 6 Construction Inspections (B1f)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

Construction inspections are scheduled when operator notification of construction plans is provided to the APSC.

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| 7 Incident/Accident Investigations (B1g)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|

Evaluator Notes:

The APSC investigates incidents as they occur.

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| 8 Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements? (B2a-d, G1,2,4)
Yes = 6 No = 0 Needs Improvement = 1-5 | 6 | 6 |
|--|---|---|

- | | | | |
|--|--------------------------------------|--------------------------|---|
| a. Length of time since last inspection | 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 ☒ No ☐ Needs Improvement ☐

f. Are inspection units broken down appropriately?

Yes ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

The APSC has designed a risk ranking model (which includes the elements above) to provide trends on certain threats such as third party damage for each operator and unit. The results of the model are used to schedule inspections in the annual inspection plan. Inspection units appear to be broken down appropriately.

9 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

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

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



PART 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 (A12) 5 5
Yes = 5 No = 0

A. Total Inspection Person Days (Attachment 2):
1054.50

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 8.71 = 1916.93

Ratio: A / B
1054.50 / 1916.93 = 0.55

If Ratio \geq 0.38 Then Points = 5, If Ratio $<$ 0.38 Then Points = 0
Points = 5

Evaluator Notes:

The APSC's ratio of inspection person days to person years was 0.55 which exceeded the minimum ratio of 0.38.

- 2 Has each inspector and program manager fulfilled the T Q Training Requirements? (See Guidelines for requirements) Chapter 4.4 (A8-A11, G19) 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"/> |

Evaluator Notes:

All training requirements have been met for all inspection types for the program manager and those inspectors who have been in place over five years. The inspectors with less than five years are progressing in the attendance and completion of courses at an acceptable pace.

- 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 (A5) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Mr. Jones has been the program manager for four years and had extensive experience with a private distribution company prior to his appointment as program manager. Mr. Jones is very active in the National Association of Pipeline Safety Representatives and has represented the organization in PHMSA initiatives to improve the pipeline safety program.

- 4 Did state respond to Chairman's letter on previous evaluation within 60 days and correct or address any noted deficiencies? (If necessary) Chapter 8.1 (A6-7) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

The APSC responded within nine days.

- 5 Did State hold PHMSA TQ Seminar in Past 3 Years? Chapter 8.5 (A3) 2 2
Yes = 2 No = 0

Evaluator Notes:

The last seminar was held in December of 2011. The APSC conducts its seminar annually.

- 6 Did state inspect all types of operators and inspection units in accordance with time intervals established in written procedures? Chapter 5.1 (B3) 5 5
Yes = 5 No = 0 Needs Improvement = 1-4

Evaluator Notes:

For calendar year 2011, the APSC procedures required that each operator and unit be inspected each calendar year. The APSC reported on its 2011 Certification - Attachment 1 that all operators and units were inspected during 2010. Upon a review of the inspection summary for 2011 the APSC complied with its established intervals.

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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 (B4-5)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|---|
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Evaluator Notes:

The APSC uses the federal standard inspection forms on standard inspections once each three years. The APSC uses standard inspection forms it has developed for years in between. The forms were evaluated for covering federal requirements and were sufficient. Construction inspection forms developed by the APSC were also determined to cover federal requirements. The APSC uses federal forms for IMP, DIMP and OQ inspections and uses the federal incident investigation form to obtain facts surrounding an incident. Upon a review of randomly selected inspection files all applicable sections of inspection forms were completed.

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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 (B7)
Yes = 1 No = 0 | 1 | 1 |
|---|--|---|---|
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Evaluator Notes:

Yes, it is covered on the standard inspection forms.

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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 (B8)
Yes = 1 No = 0 | 1 | 1 |
|---|---|---|---|
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Evaluator Notes:

Yes, it is covered on the standard inspection forms.

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|----|--|---|---|
| 10 | Did the state review operator emergency response procedures for leaks caused by excavation damage near buildings and determine whether the procedures adequately address the possibility of multiple leaks and underground migration of gas into nearby buildings Refer to 4/12/01 letter from PHMSA in response to NTSB recommendation P-00-20 and P-00-21? (NTSB) Chapter 5.1 (B9)
Yes = 1 No = 0 | 1 | 1 |
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Evaluator Notes:

Yes, it is covered on the standard inspection forms.

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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 (B10,E5)
Yes = 1 No = 0 | 1 | 1 |
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Evaluator Notes:

Yes, it is covered on the standard inspection forms.

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| 12 | Has the state reviewed Operator Annual reports, along with Incident/Accident reports, for accuracy and analyzed data for trends and operator issues? Data Initiative (G6-9,G16)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----|---|---|---|
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Evaluator Notes:

The APSC reviews mileage counts for cast iron and bare steel mains to evaluate the trend of replacements. The APSC also reviews the number of leak repairs reported by operators. The APSC has identified lost and unaccounted anomalies and contacted operators for explanations.

- 13 Did state input all applicable OQ, IMP inspection results into federal database in a timely manner? This includes replies to Operator notifications into IMDB database. Chapter 5.1 (G10-12) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

The OQ results have been uploaded in an acceptable timeframe. No issues were identified upon a review of the Gas IMP database.

- 14 Has state confirmed intrastate transmission operators have submitted information into NPMS database along with changes made after original submission? (G14) 1 1
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

The APSC includes as part of its IMP inspections a discussion with operators on their submission of updates to the National Pipeline Mapping System.

- 15 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 (I1-3) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

The APSC reviews program changes during each standard inspection. The APSC conducted ninety two drug and alcohol inspections as part of standard inspections during 2011.

- 16 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 (I4-7) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

The APSC reviewed all operators' OQ written programs prior to 2008. Upon a review of the OQ database, it appears that most of the program reviews were completed prior to 2007. The OQ database also shows that the APSC has continually uploaded the results of Protocol 9 inspections. The APSC continued reviewing the field portion (Protocol 9) of Part 192, Subpart N during 2011.

- 17 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). 49 CFR 192 Subpart O (I8-12) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

The APSC has conducted the integrity management programs of all gas transmission operators. The APSC is now progressing through the second round of IMP inspections.

- 18 Is state verifying operator's gas distribution integrity management Programs (DIMP)? Info Only Info Only
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). 49 CFR 192 Subpart P
Info Only = No Points

Evaluator Notes:

The APSC has completed inspections on approximately 30% of the operators. The APSC plans to have 50% by the end of CY2012 and the remainder completed in CY2013.

- 19 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. 49 CFR 192.616 (I13-16) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

The APSC has begun the PAPEE inspections. The APSC is intending to complete PAPEE inspections completed by the end of CY2013. Prior to 2008, the APSC completed a review of all operators Public Awareness Plans for compliance with 192.616 and the incorporated API RP 1162 standard. The APSC conducted its review in conjunction with the Public Awareness Plan Clearinghouse. Operators with plans that were found to be deficient were notified of changes needed in their plans.

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| 20 | 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). (G20-21)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

The APSC posts pipeline safety information on the Commission's website. The APSC participates in and makes presentations at Alabama Natural Gas Association meetings.

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| 21 | Did state execute appropriate follow-up actions to Safety Related Condition (SRC) Reports? Chapter 6.3 (B6)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
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Evaluator Notes:

There were no Safety Related Condition reports filed by an operator in 2011.

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| 22 | 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? (G13)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

The APSC has included Question 39 on its inspection forms which covers the issue of plastic pipe and component failures.

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| 23 | Did the state participate in/respond to surveys or information requests from NAPSR or PHMSA? (H4)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

No issues with participation were known.

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| 24 | General Comments:
Info Only = No Points | Info Only | Info Only |
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Evaluator Notes:

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

Total points scored for this section: 43
Total possible points for this section: 43

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 (B12-14, B16, B1h) 4 4
Yes = 4 No = 0 Needs Improvement = 1-3
- a. Procedures to notify an operator (company officer) when a noncompliance is identified Yes ☒ No ☐ Needs Improvement ☐
- b. Procedures to routinely review progress of compliance actions to prevent delays or breakdowns Yes ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

Yes. The APSC's procedures require that the inspector conduct a followup inspection to confirm whether or not corrective action has been taken by the operator or to followup during the next scheduled inspection.

Written compliance action correspondence must be sent to an officer of a private company.

- 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 (B11,B18,B19) 4 4
Yes = 4 No = 0 Needs Improvement = 1-3
- a. Were compliance actions sent to company officer or manager/board member if municipal/government system? Yes ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

Upon a review of randomly selected inspection files, the files contained responses from operators within the deadlines given by the APSC. The APSC had conducted followup inspections with operators to confirm if corrective action had taken place. Compliance notifications were sent to company officer when a private company was involved.

- 3 Did the state issue compliance actions for all probable violations discovered? (B15) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Upon a review of randomly selected inspection files, all inspections with discovered probable violations had letters of non-compliance in the files.

- 4 Did compliance actions give reasonable due process to all parties? Including "show cause" hearing if necessary. (B17, B20) 2 2
Yes = 2 No = 0

Evaluator Notes:

The APSC's rules and procedures provide operators with an opportunity to argue their position as to whether a probable violation occurred. The operator is provided with an opportunity to present its case in a "show cause" hearing before a presiding officer or the commission. Upon a review of randomly selected inspection files the APSC followed its procedures.

- 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) (B27) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

A petition for issuing a civil penalty must be presented to the Commission. Show cause hearing is required before the Commissioners. The Commissioners must approve the civil penalties. Presently the APSC has authority to issue civil penalties up to \$10,000 per day with a maximum of \$500,000. The APSC will have to receive authority for civil penalties up to \$100,000 with a maximum of \$1,000,000 by Dec. 31, 2012 to receive the maximum number of points for civil penalty authority when its 2012 Progress Report is scored.

- 6 Can the State demonstrate it is using their enforcement fining authority for pipeline safety violations? (new question) Info Only Info Only
Info Only = No Points

Evaluator Notes:

None has been issued in recent years.

7 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

The APSC has generally complied with the requirements of Part D of this evaluation.

Presently the APSC has authority to issue civil penalties up to \$10,000 per day with a maximum of \$500,000. The APSC will have to receive authority for civil penalties up to \$100,000 with a maximum of \$1,000,000 by Dec. 31, 2012 to receive the maximum number of points for civil penalty authority when its 2012 Progress Report is scored.

Total points scored for this section: 14
Total possible points for this section: 14



PART E - Incident Investigations

Points(MAX) Score

- 1 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 (A2,D1-3) 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 APSC publishes and disseminates contact information to operators. A contact listing is also maintained on the Commission's web site. After hour contact instructions are also included.

- 2 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 (D4) 1 NA
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

There was one federally reportable incident in 2011. The APSC investigated the incident on site.

- 3 Were all incidents investigated, thoroughly documented, and with conclusions and recommendations? (D5) 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. These elements were contained in the investigation narrative.

- 4 Did the state initiate compliance action for violations found during any incident/accident investigation? (D6) 1 NA
Yes = 1 No = 0

Evaluator Notes:

There were no probable violations found during the incident investigation.

- 5 Did the state assist region office 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 (D7) 1 1
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

No known issues have been communicated.

- 6 Does state share lessons learned from incidents/accidents? (sharing information, such as: at NAPS Region meetings, state seminars, etc) (G15) 1 1
Yes = 1 No = 0

Evaluator Notes:

Yes. Wallace Jones shared 2011 incident information with other states in Southern Region at the annual region meeting.

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

Evaluator Notes:

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

Total points scored for this section: 7
Total possible points for this section: 7



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 (E1)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

Yes. The APSC conducts reviews of operators' OM procedures on a three year rotational basis. Directional drilling/boring procedures are a part of the review. The APSC uses the federal standard inspection form which covers this requirement.

- | | | | |
|---|--|---|---|
| 2 | Did the state inspector check to assure the pipeline operator is following its written procedures pertaining to notification of excavation, marking, positive response and the availability and use of the one call system? (E2)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

Yes. The APSC's standard inspection form Question 25 has the inspector review the operator's damage prevention program and records.

- | | | | |
|---|---|---|---|
| 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.) (E3)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

Wallace Jones participates in the Alabama Damage Prevention Council where he has encouraged stakeholder representatives to use CGA Best Practices. The APSC includes damage prevention topics during its annual pipeline safety seminar.

- | | | | |
|---|--|---|---|
| 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) (E4,G5)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

The APSC collects this information each year and uses the information in its relative risk ranking model.

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

Evaluator Notes:

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

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

PART G - Field Inspections

Points(MAX) Score

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

Name of Operator Inspected:

Sylacauga Gas Department

Name of State Inspector(s) Observed:

Daniel Trapp and Randy Hammond

Location of Inspection:

Sylacauga, AL

Date of Inspection:

9/19/2012

Name of PHMSA Representative:

Don Martin

Evaluator Notes:

Sylacauga Gas Department is a municipal operator. The APSC conducted a standard inspection. Mr. Mitch Miller represented the operator during the inspection. The evaluation observation on 9/19/2012 covered OM procedures review and an inspection of office records. The field portion of the inspection was scheduled for 9/20/2012.

- 2 Was the operator or operator's representative notified and/or given the opportunity to be present during inspection? (F2) 1 1
Yes = 1 No = 0

Evaluator Notes:

Yes. Mitch Miller represented Sylacauga during the inspection. The APSC notified the operator two weeks prior to the 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) (F3) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

The APSC inspector utilized the APSC's standard inspection form for a Distribution Operator. The form covers all of the requirements that are contained in the federal Standard Inspection Form for Distribution Operators. The APSC uses the federal form on inspections once each three years. The federal form was used in the 2011 standard inspection of Sylacauga.

- 4 Did the inspector thoroughly document results of the inspection? (F4) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes. The APSC inspector used the electronic version of the standard inspection form. He entered results electronically in the form.

- 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.) (F5) 1 NA
Yes = 1 No = 0

Evaluator Notes:

The inspector conducted a review of office records on the day of the observation. The field portion of the inspection would take place on the next day.

- 6 Did the inspector adequately review the following during the field portion of the state evaluation? (check all that apply on list) (F7) 2 2
Yes = 2 No = 0 Needs Improvement = 1
- a. Procedures ☒
 - b. Records ☒
 - c. Field Activities ☐
 - d. Other (please comment) ☐

Evaluator Notes:

No issues were identified during the observation.

- | | | | |
|---|--|---|---|
| 7 | Did the inspector have adequate knowledge of the pipeline safety program and regulations? (Evaluator will document reasons if unacceptable) (F8)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

Yes. The APSC lead inspector has completed all of the required TQ core courses. He exhibited good knowledge of pipeline safety 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) (F9)
Yes = 1 No = 0 | 1 | 1 |
|---|--|---|---|

Evaluator Notes:

The APSC inspector conducted an exit interview for the results of the office records and OM procedures review conducted on this day.

- | | | | |
|---|---|---|---|
| 9 | During the exit interview, did the inspector identify probable violations found during the inspections? (if applicable) (F10)
Yes = 1 No = 0 | 1 | 1 |
|---|---|---|---|

Evaluator Notes:

The APSC inspector's statements indicated that no probable violations were found.

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|----|--|-----------|-----------|
| 10 | General Comments: What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) 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 type="checkbox"/> |
| h. | Cast-iron Replacement | <input type="checkbox"/> |
| i. | Damage Prevention | <input type="checkbox"/> |
| j. | Deactivation | <input type="checkbox"/> |
| k. | Emergency Procedures | <input type="checkbox"/> |
| l. | Inspection of Right-of-Way | <input type="checkbox"/> |
| m. | Line Markers | <input type="checkbox"/> |
| n. | Liaison with Public Officials | <input type="checkbox"/> |
| o. | Leak Surveys | <input type="checkbox"/> |
| p. | MOP | <input type="checkbox"/> |
| q. | MAOP | <input type="checkbox"/> |
| r. | Moving Pipe | <input type="checkbox"/> |
| s. | New Construction | <input 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 type="checkbox"/> |
| x. | Public Education | <input type="checkbox"/> |
| y. | Purging | <input type="checkbox"/> |
| z. | Prevention of Accidental Ignition | <input type="checkbox"/> |
| A. | Repairs | <input type="checkbox"/> |

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

Evaluator Notes:

The field portion of the inspection was scheduled for the next day.

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



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

- | | | | |
|----------|---|---|----|
| 1 | Did the state use the current federal inspection form(s)? (C1)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

The APSC is not an interstate agent.

- | | | | |
|----------|--|---|----|
| 2 | Are results documented demonstrating inspection units were reviewed in accordance with "PHMSA directed inspection plan"? (C2)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

The APSC 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? (C3)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

The APSC 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.) (C4)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

The APSC 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? (C5)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

The APSC is not an interstate agent.

- | | | | |
|----------|---|---|----|
| 6 | Did the state give written notice to PHMSA within 60 days of all probable violations found? (C6)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

The APSC is not an interstate agent.

- | | | | |
|----------|--|---|----|
| 7 | Did the state initially submit documentation to support compliance action by PHMSA on probable violations? (C7)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

The APSC is not an interstate agent.

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

Evaluator Notes:

The APSC 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)? (B21)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

The APSC does not have a Section 60106 agreement with PHMSA.

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|----------|--|---|----|
| 2 | Are results documented demonstrating inspection units were reviewed in accordance with state inspection plan? (B22)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

The APSC does not have a Section 60106 agreement with PHMSA.

- | | | | |
|----------|---|---|----|
| 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.) (B23)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

The APSC does not have a Section 60106 agreement with PHMSA.

- | | | | |
|----------|---|---|----|
| 4 | Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? (B24)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

The APSC does not have a Section 60106 agreement with PHMSA.

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|----------|--|---|----|
| 5 | Did the state give written notice to PHMSA within 60 days of all probable violations found? (B25)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

The APSC does not have a Section 60106 agreement with PHMSA.

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|----------|--|---|----|
| 6 | Did the state initially submit adequate documentation to support compliance action by PHMSA on probable violations? (B26)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

The APSC does not have a Section 60106 agreement with PHMSA.

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

Evaluator Notes:

The APSC does not have a Section 60106 agreement with PHMSA.

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