

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

2018 Hazardous Liquid State Program Evaluation

for

NEW YORK DEPARTMENT OF PUBLIC SERVICE

Document Legend

PART:

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



2018 Hazardous Liquid State Program Evaluation -- CY 2018
Hazardous Liquid

State Agency: New York
Agency Status:
Date of Visit: 10/07/2019 - 10/11/2019
Agency Representative: Kevin Speicher, Program Manager
PHMSA Representative: Agustin Lopez, State Evaluator (Office Evaluation)
 Clint Stephens, State Evaluator (Field Evaluation)
 Glynn Blanton, State Evaluator (Field Evaluation)

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

Commission Chairman to whom follow up letter is to be sent:
Name/Title: John B. Rhodes, Chairman
Agency: New York Department of Public Service
Address: Empire State Plaza, Agency Building 3
City/State/Zip: Albany, New York 12223-1350

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 2018 (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.

Scoring Summary

PARTS	Possible Points	Points Scored
A Progress Report and Program Documentation Review	10	10
B Program Inspection Procedures	13	13
C Program Performance	43	43
D Compliance Activities	15	15
E Accident Investigations	11	11
F Damage Prevention	8	8
G Field Inspections	12	12
H Interstate Agent State (if applicable)	7	7
I 60106 Agreement State (if applicable)	0	0
TOTALS	119	119
State Rating		100.0



PART A - Progress Report and Program Documentation Review

Points(MAX) Score

- | | | 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:

Verified operator data, annual reports and the State files to assure numbers are correct. No issues identified with the jurisdiction of operators.

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

Evaluator Notes:

Reviewed data in the NYDPS timesheets and data collection to verify inspection days. Jeff Kline reviews and gathers all inspection data and inputs into the Progress Report. Data is very detailed and accurate.

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

Verified operator with annual reports and PDM. There were no issues identified. NY DPS is working with the gathering operators to submit annual reports to PHMSA. Some operators may not be jurisdictional under PHMSA definition but state has own laws for jurisdiction of gathering lines.

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

Evaluator Notes:

Yes, verified Attachment 4 incident investigated with PDM and there were no issues identified. The NYDPS investigated all reportable incidents.

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

Evaluator Notes:

Reviewed compliance actions to verify data submitted on Progress Report.

- | | | | |
|---|---|---|---|
| 6 | Were pipeline program files well-organized and accessible? - Progress Report Attachment 6
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

Records are kept electronically in the server which is available to inspectors.

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

Evaluator Notes:

Yes, verified inspector training with blackboard. There are no issues with the training.

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

Evaluator Notes:

Verified the adoption all rules and amendments. State adopts rules within 2 years of amendments.



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

Evaluator Notes:

Yes, list accomplishments in Progress Report. Part of their accomplishments is to complete all inter and intra state inspections of operators. Continue to enforce the legislative changes to the damage prevention laws.

10 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

The NY DPS is mainly complying with Part A of the Evaluation.

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



PART B - Program Inspection Procedures

Points(MAX) Score

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Staff Guidance Manual has procedures for conducting Standard Inspections. The procedures include pre and post inspection activities. The procedures are well detailed and give guidance to inspectors.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

State Guideline Manual has IMP inspection procedures. Section 4.5 has Program Audits which includes IMP inspections. Section 4 gives guidance to inspectors on conducting IMP inspections which include pre and post inspection activities.

- 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.

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

State Guideline Manual has OQ inspection procedures. Section 4.5 has Program Audits which includes OQ inspections. Section 4 gives guidance to inspectors on conducting OQ inspections which include pre and post inspection activities.

- 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.

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Chapter 8 of the Staff Guidance Manual located in r:\division\gaswater\safety\sgm. This procedure provides guidance for performing field investigations, the citation forms used, routing and final dispensation of Part 753 citations, notifications for probable violations, and investigative hearings.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Section 4.12 of the Staff Guidance Manual provides guidance for operator training.

- 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.

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Chapter 6 of the Guidance Manual has procedures for Construction Inspections. Procedures give detail of how and what consists of a construction inspection.



- 7 Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements? 6 6
 Yes = 6 No = 0 Needs Improvement = 1-5
- a. Length of time since last inspection (Within five year interval) Yes No Needs Improvement
 - b. Operating history of operator/unit and/or location (includes leakage, incident and compliance activities) Yes No Needs Improvement
 - c. Type of activity being undertaken by operators (i.e. construction) Yes No Needs Improvement
 - d. Locations of operators inspection units being inspected - (HCA's, Geographic area, Population Density, etc) Yes No Needs Improvement
 - 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:

Yes, the NYDPS utilizes statistical sampling to conduct their inspections. Section 4.3.1 and 4.3.2 details the use of the statistical sampling. The NYDPS establishes a 5 year inspection plan which includes higher risk functions which are audited more frequently. Section 4.2 has provisions for risk ranking.

8 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

The NYDPS is mainly complying with Part B of the Evaluation.

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



PART C - Program Performance

Points(MAX) Score

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

A. Total Inspection Person Days (Attachment 2):
42.79

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 0.46 = 100.83

Ratio: A / B
42.79 / 100.83 = 0.42

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

Evaluator Notes:

The percentage of time submitted on Attachment 7 was not correct. Rounding issues increased the percentage time so it decreased the ration. The NY DPS submitted the correct number which in turn increased the ratio above the required .38.

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

- a. Completion of Required OQ Training before conducting inspection as lead? Yes No Needs Improvement
- b. Completion of Required IMP Training before conducting inspection as lead? Yes No Needs Improvement
- c. Root Cause Training by at least one inspector/prgram manager Yes No Needs Improvement
- d. Note any outside training completed Yes No Needs Improvement
- e. Verify inspector has obtained minimum qualifications to lead any applicable standard inspection as the lead inspector. Yes No Needs Improvement

Evaluator Notes:

Yes, all inspectors have or will complete all required TQ training requirements.

- a. Yes, reviewed inspection reports to assure lead inspectors are qualified.
- b. Yes, IMP inspectors are qualified before leading inspections.
- c. Yes, inspectors have taken the root cause training course.
- d. There was no additional training in 2018.
- e. Yes , reviewed inspection reports to verify lead inspectors were qualified.

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, Mr. Kevin Speicher has 24 years of program experience and is very knowledgeable of 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 Chairman letter was mailed on September 10, 2018 and response received on October 12, 2018.

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.Seminar was conducted in Saratoga Springs on September 24/25/26, of 2013. Seminar was conducted in Canandaigua on September 13/14/15 of 2016. Seminar was conducted in Cooperstown on September 17/18/19/20 of 2019.



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

Yes. The NY DPS keeps excel files located in each operator's '5 Year Audit Plan' folder. Inspections are conducted on Program level, field and O&M which are inspected on a five year cycle.

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
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Evaluator Notes:

Yes, the five year plan covers all applicable code requirements in each type of inspections. The NY DPS utilizes IA for Program Inspections (IMP, OQ, CRM..etc) Have own forms used during the standard inspections which include all applicable code sections.

8	Did the state review operator records of previous accidents and failures including reported third party damage and leak response to ensure appropriate operator response as required by 195.402(c)(5)? Yes = 1 No = 0	1	1
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Evaluator Notes:

Yes. All incident and accident notifications received are reviewed and documented in the 'INL' access database which located in t:\division\gaswater\safety.

9	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
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Evaluator Notes:

Yes. The NYDPS review annual reports and incident reports for accuracy and incorporated within the 2018 Performance Measures Report, Case 19-G-0298, published on June 13, 2019.

10	Has state confirmed intrastate operators have submitted information into NPMS database along with changes made after original submission? Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:

Yes. NYDPS periodically reviews that intrastate operators have submitted information into NPMS database, along with any modifications. The question is on the inspection forms.

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

Yes. A comprehensive plan review was completed for all operators in 2013. The documentation is located within r:\division\gaswater\safety\Drug & Alcohol Audits. Any changes will be reviewed at intervals not exceeding 5-years

12	Is state verifying operators OQ programs are up to date? This should include verification of any plan updates and that persons performing covered tasks (including contractors) are properly qualified and requalified at intervals determined in the operators plan. 49 CFR 195 Part G Yes = 2 No = 0 Needs Improvement = 1	2	2
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Evaluator Notes:

Yes, reviewed inspection reports to verify OQ inspections are being completed. The reports were kept in the OQ Database and are also kept in their "r" Drive.

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

Evaluator Notes:

Yes, reviewed inspection reports to assure IMP inspections are being completed within their inspection time frame cycles. Staff inspects IMP work being carried out by the operators and document its findings in Inspection Assistant (IA).

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

Evaluator Notes:

Yes. Due to operators not having comprehensive plans on previous inspections, secondary reviews have commenced and will continue, and will be documented in Inspection Assistant (IA).

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

Evaluator Notes:

Yes. A public website, www.dps.ny.gov. This website provides stakeholders with the ability to search any and all of the commission documents, file a complaint, dispute a resolution, view press releases, view public notices, and view webcasts.

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

Evaluator Notes:

There was one SRCR in NY in 2018. The NY DPS follows up on the corrective action and submits updates to PHMSA. Reports of follow up and status of reports are kept in their "T" drive. Reviewed reports and there are no issues with the state action.

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

Evaluator Notes:

Yes. NY actively participates in NAPSRS Survey Requests

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

Evaluator Notes:

There are several waivers in the PHMSA website that were not approved by PHMSA so are not open waivers. The waiver issued to New York State Electric & Gas Corporation in 2004 is now an interstate pipeline.

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

Evaluator Notes:

Yes, Mr. Speicher and Mr. Thomas attended the 2018 NAPSRS National Meeting in Santa Fe, NM

- 20** Discussion on State Program Performance Metrics found on Stakeholder Communication site ? <http://primis.phmsa.dot.gov/comm/states.htm> 2 2
Needs Improvement = 1 No = 0 Yes = 2
- a. Discussion of Potential Accelerated Actions (AA's) based on any negative trends Yes No Needs Improvement
- b. NTSB P-11-20 Meaningful Metrics Yes No Needs Improvement

Evaluator Notes:

Discussed performance metrics with Mr. Speicher. All metrics look like they are in a positive trend. Leaks to be repaired are low and the hits per 1,000 tickets is at 1.6. There are no issues or concerns with the performance metrics.

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

Evaluator Notes:

Discussed SICT days with Mr. Speicher. The numbers from the SICT were reduced due to two operators abandoning their pipelines and the interstate agent anticipated inspection days were lower than expected.

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

Evaluator Notes:

Yes. The NY DPS sent ADB-2014-04 to all operators. Quarterly meetings are held with the operators to discuss advisory bulletins. NY DPS to initiate discussions related to pipeline flow reversals, product changes, and conversions to service.

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

Evaluator Notes:

The NY DPS is mainly complying with Part C of the 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
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. Sections 4.9, 4.10, and 4.11, of the Staff Guidance Manual located in r:\division\gaswater\safety\sgm. These procedures provide examples on how to accumulate violations, how to accumulate pieces of evidence, provides guidance for addressing compliance letters, addressing violation specifics, and audit correspondence and documentation. In addition, specific guidance on compliance meetings, high/other risk violations, and a tiered penalty system is outlined in the operator's current merger/rate case.

- | | | | |
|----|--|--------------------------------------|--|
| 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? (Incident Investigations do not need to meet 30/90 day requirement) Chapter 5.1
Yes = 4 No = 0 Needs Improvement = 1-3 | 4 | 4 |
| a. | Were compliance actions sent to company officer or manager/board director if municipal/government system? | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| b. | Document probable violations | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| c. | Resolve probable violations | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| d. | Routinely review progress of probable violations | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| e. | Within 30 days, conduct a post-inspection briefing with the owner or operator of the gas or hazardous liquid pipeline facility inspected outlining any concerns; and | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| f. | Within 90 days, to the extent practicable, provide the owner or operator with written preliminary findings of the inspection. | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |

Evaluator Notes:

Yes. Reviewed the 'Correspondence Audits' folder for each company, which are located on the r:\ drive. Copies of audit letters and audit response letters are organized per year. Per procedure, compliance meetings are held after each audit, preliminary violations are presented, and the operators are provided five business days to respond with additional evidence for compliance. Section 4.9 has post inspection briefing within 30 days of completing inspection. Section 4.9 has provision to provide operator with written notice within 90 days.

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

Evaluator Notes:

Yes. Reviewed inspection reports for completion and for probable violations being addressed. Annual field and record audit letters address all violations discovered and are located within their specific company folders on the r:\ drive. Per rate/merger case agreements, enforcement protocols have been established to address the instances of non-compliances identified. Any associated penalties will be documented and tracked through the rate/merger case proceedings.

- | | | | |
|---|---|---|---|
| 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. Each record audit letter states "Please provide a written response, within 30 days, outlining what actions have and/or will be taken by [the operator] to prevent similar violations from occurring." Similar to the answer provided in question #3 of this section, enforcement protocols have been established to address the instances of non-compliances identified and their associated penalties.



- 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) 2 2
Yes = 2 No = 0

Evaluator Notes:

Yes, Mr. Kevin Speicher is very familiar with the state's process for imposing civil penalties. The NYDPS uses what is called the 25/25A, which addresses compliance actions against companies for violations identified during investigations.

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

Evaluator Notes:

Yes, the NYDPS issues civil penalties and uses its fining authority either thru consent orders, final orders and rate case proceedings.

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

Evaluator Notes:

The NYDPS is mainly complying with Part D of the Evaluation.

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



PART E - Accident Investigations

Points(MAX) Score

- 1 Does the state have written procedures to address state actions in the event of an incident/ accident? 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes. Chapter 9 of the SGM. This chapter provides guidance for media contact, notifications for both business and non-business hours, investigations and documentations, internal notifications, accident investigation guidelines, field investigation reports, reports to the Commission, incident report files, and incidents on interstate facilities.

- 2 Does state have adequate mechanism to receive and respond to operator reports of accidents, including after-hours reports? And did state keep adequate records of Incident/Accident notifications received? Chapter 6 2 2
Yes = 2 No = 0 Needs Improvement = 1

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

Evaluator Notes:

Yes. Chapters 9, Section 3 of the SGM. During business hours, all incident notifications will be received in the Albany Office by Safety Section staff. The person receiving this notification will record the information given on Form GW-1 Safety Section Incident Notification Report located in: r:\division\gaswater\safety\sgm. Albany clerical staff has been instructed to show one of the Albany Engineering Staff each report received during business days. Albany Engineering Staff will determine if further investigation is required and, if necessary, contact local supervision that covers the area of the incident for any required follow-up action, which may include dispatching Section Staff for an on-site investigation, or contacting the utility for updated information. Each business day, prior to leaving, the Albany Engineering staff will verify that all reports of incidents that warrant field investigation have been dispatched to local field supervision. Non-business hour incident notifications will be received by employees designated on the lists, which will be updated annually (January) and provided to the utilities by Albany engineering staff. In addition, Albany engineering staff will notify the utilities as necessary to remove names of Staff who leave the Section. An employee receiving an off-hours notification should judge whether an immediate investigation is warranted based on the information obtained. If an employee determines that an investigation is warranted, the employee shall, regardless of the time of day, attempt to contact their direct supervisor, Albany Engineering Staff, or the Section Chief.

- 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. Form "GW-1 Safety Section Incident Notification Report" located in r:\division\gaswater\safety\sgm. This form includes the company, location, affected utility, date, time the incident occurred, time the company was dispatched, time the company arrived on site, whether or not there was and the number of injuries, fatalities, service and customer interruptions, the critical facilities involved, greater than \$5,000 in property damage, asbestos release, the customers notified, the police and fire departments notified, the date and time of restoration, the cause, description of the incident, and any additional remarks which may be applicable.

- 4 Were all accidents investigated, thoroughly documented, and with conclusions and recommendations? 3 3
Yes = 3 No = 0 Needs Improvement = 1-2

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

Evaluator Notes:

Yes, the NYDPS investigated all reportable incidents and thoroughly documented. . In addition to the 'INL', operators submit 'No Call Damage' reports which are documented in the '753' database located in r:\project\753\database. The proper enforcement action is subsequently determined by the Albany Engineering Staff, Council, and Supervisory Staff. These



follow up actions are documented in the '753' database. Also included in this database, are any complaints made by excavators or third parties which results in an enforcement action.

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

Evaluator Notes:

Yes, issued compliance actions to operator due to an incident investigation. Linked through the '753' database, compliance actions are determined by the commission at the monthly Session. These items are logged through the 'Document and Matter Management System (DMM)' which is located via the web. Also included in DMM are 25/25A compliance actions against companies for violations identified during investigations.

6 Did the state assist Region Office or Accident Investigation Division (AID) by taking appropriate follow-up actions related to the operator accident reports to ensure accuracy and final report has been received by PHMSA? (validate report data from operators concerning incidents/accidents and investigate discrepancies) Chapter 6 1 1
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes. Contact for PHMSA Eastern Region office is Marta Reindeau.

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. All pertinent details of incidents are shared at the NAPS Region Meetings and state Training and Qualification Seminars.

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

Evaluator Notes:

The NYDPS is mainly complying with Part E of the Evaluation.

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



PART F - Damage Prevention

Points(MAX) Score

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

Evaluator Notes:

Yes. As directional drilling/boring procedures are submitted by each pipeline operator or its contractors, they are reviewed by the Albany Engineering Staff in consultation with each affected Field Office. Any comments/recommendations are then provided back to the operator.

- 2 Did the state inspector verify pipeline operators are following their written procedures pertaining to notification of excavation, marking, positive response and the availability and use of the one call system? 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes. During construction monitoring, incident investigations, and 753 enforcement activities, state inspectors verify that each operator is following its written procedures pertaining to the notification of excavation, marking, positive response, and the availability and use of the one-call system. NY inspectors also respond to complaints made by operators, excavators, and third parties regarding the one-call systems, their process, and compliance with applicable regulations.

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

Evaluator Notes:

Yes. In addition to promoting/adopting the CGA Best Practices, NY has incorporated performance measures into the rate cases of several of the jurisdictional pipeline operators. In addition, an independent consultant was selected, in Case 13-M-0314, to audit the performance data submitted by several of these jurisdictional pipeline operators. The results of this audit were presented at the March 17, 2016 Session, its recommendations evaluated, and implemented completed by the operators

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

Evaluator Notes:

Yes. NY collects and evaluates the data associated with pipeline damages per 1,000 locate request. NY published the 2018 Performance Measures Report on June 13, 2019, in Case 19-G-0298.

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

Evaluator Notes:

The NYDPS is mainly complying with Part F of the 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:
Consolidated Edison Company- Fuel Oil Line
Name of State Inspector(s) Observed:
Arpit Mehta, Utility Engineer Spec. 3
Location of Inspection:
Manhattan, New York
Date of Inspection:
June 3-7, 2019
Name of PHMSA Representative:
Glynn Blanton, PHMSA State Liaison

Evaluator Notes:

Arpit Mehta is the lead inspector and Yaw Asante will be of assistance on the inspection. Suresh Thomas, Utility Supervisor is coordinating the inspection with the operator. The operator representative Francis A Dumkwu, Sr. Specialist/Pipeline Supervisor was present during the O&M and Integrity Management reviews. The field portion of the line that is located in a tunnel will be conducted on Wednesday, June 5th. The product transported is number 6 fuel oil. Due to the City of New York requirements on pollution the only fuel to be used will be number 4 in the future.

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

Evaluator Notes:

Yes, Francis Dumkwu was contacted by Arpit Mehta, on February 27, 2019 to schedule 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) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, Arpit Mehta used PHMSA IA inspection form with related questions pertaining to the areas to be reviewed.

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

Evaluator Notes:

Yes, Arpit Mehta & Yaw Asante were observed recording down information about the answers to the questions into the IA form document.

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

Evaluator Notes:

Yes, the operator was required to perform a cathodic protection reading on the pipeline outside the building area. Each of the two Consolidated Edison Company personnel provided information on their OQ records and the information was verified by Arpit Mehta. Potential readings were taken using a half cell. No areas of concern.

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

- a. Procedures
- b. Records
- c. Field Activities



d. Other (please comment)

Evaluator Notes:

During the site visit of the pipeline located on the Long Island City side of New York, the pipeline was reviewed in the tunnel and one gate valve was turned by Ravenswood Generating Station personnel at the above ground location. The individual's OQ record was checked and verified. A detailed review of Consolidated Edison Company procedures, records of work performed, and maintenance activities was reviewed. It was noted a pen hole leak was located on the pipeline in the tunnel area and repairs were made immediately. The leak was discovered when removing a section of the coating on the pipeline. Mr. Adam Sadowsky, Engineering Manager, assisted in the review of the pipeline from the plant site of the island.

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:

Yes, Arpit Mehta and Yaw Asante have completed all TQ courses to meet the qualified Liquid Inspector requirements.

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:

Yes, each day it was observed Arpit Mehta reviewed with the operator information on findings of his review of records or field observation.

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:

The final exit interview was scheduled for the following day or next week. However, on the exit interview on Thursday, Arpit Mehta identified probable violations and areas of concerns pertaining to mapping, OQ and coating material used in making repairs to the pin hole leak.

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
- b. Abnormal Operations
- c. Break-Out Tanks
- d. Compressor or Pump Stations
- e. Change in Class Location
- f. Casings
- g. Cathodic Protection
- h. Cast-iron Replacement
- i. Damage Prevention
- j. Deactivation
- k. Emergency Procedures
- l. Inspection of Right-of-Way
- m. Line Markers
- n. Liaison with Public Officials
- o. Leak Surveys
- p. MOP
- q. MAOP
- r. Moving Pipe
- s. New Construction



- t. Navigable Waterway Crossings
- u. Odorization
- v. Overpressure Safety Devices
- w. Plastic Pipe Installation
- x. Public Education
- y. Purging
- z. Prevention of Accidental Ignition
- A. Repairs
- B. Signs
- C. Tapping
- D. Valve Maintenance
- E. Vault Maintenance
- F. Welding
- G. OQ - Operator Qualification
- H. Compliance Follow-up
- I. Atmospheric Corrosion
- J. Other

Evaluator Notes:

This was a O&M and I&P inspection using the IA format for all questions. The office record review was conducted at Con Edison offices located at 506 East 75th Street in New York City. The field portion of the audit was conducted on Wednesday with a review of the pipeline that runs from the Ravenswood Generating Station plant location on Long Island City area under the Hudson River to New York City on East 75th Street. The pipeline is located in a tunnel that is approximately 100 below ground and is approximately one mile in length.

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



PART H - Interstate Agent State (if applicable)

Points(MAX) Score

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

Evaluator Notes:
NY utilized IA and PIMs as directed by the Region.

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

Evaluator Notes:
Results were documented in IA as directed by the Region

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

Evaluator Notes:
Results were documented in IA as directed by the Region.

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

Evaluator Notes:
NY identified probable violations, which resulted in cases being issued. 1 LC, 1 WL were issued between October 2018 and September 2019.

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

Evaluator Notes:
There were no immediate safety hazard concerns.

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

Evaluator Notes:
NY identified probable violation by submitting inspection records and PIM within 60 days.

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

Evaluator Notes:
NY submitted necessary inspection records for identified probable violations

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

Evaluator Notes:
NY provided thorough IA inspections, PIM and evidence, and brought concerns to PHMSA's attention.
NYDPS is mainly complying with Part H of the Evaluation.

Total points scored for this section: 7



Total possible points for this section: 7



PART I - 60106 Agreement State (if applicable)

Points(MAX) Score

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

Evaluator Notes:
NYDPS does not have a 60106 Agreement

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

Evaluator Notes:
NYDPS does not have a 60106 Agreement

3 Were any probable violations identified by state referred to PHMSA for compliance? 1 NA
(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

Evaluator Notes:
NYDPS 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? 1 NA
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:
NYDPS does not have a 60106 Agreement

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

Evaluator Notes:
NYDPS does not have a 60106 Agreement

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

Evaluator Notes:
NYDPS does not have a 60106 Agreement

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

Evaluator Notes:
NYDPS does not have a 60106 Agreement

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

