

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

2018 Hazardous Liquid State Program Evaluation

for

VIRGINIA STATE CORPORATION COMMISSION

Document Legend

PART:

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



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

State Agency: Virginia
Agency Status:
Date of Visit: 09/23/2019 - 09/25/2019
Agency Representative: Scott Marshall, Pipeline Safety Program Manager
PHMSA Representative: Agustin Lopez, State Liaison
Commission Chairman to whom follow up letter is to be sent:
Name/Title: Judith Williams Jagdmann,, Chairman
Agency: Virginia State Corporation Commission
Address: 1300 E. Main St.
City/State/Zip: Richmond, VA 23219

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	10	10
H Interstate Agent State (if applicable)	7	7
I 60106 Agreement State (if applicable)	0	0
TOTALS	117	117
State Rating		100.0



PART A - Progress Report and Program Documentation Review

Points(MAX) Score

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

Evaluator Notes:

Reviewed data submitted in Progress Report and verified with PDM and previous years Progress Reports. There are no issues with the Operator/Inspection Unit Data submitted in Attachment 1.

The jurisdiction over the Interstate Pipeline Operators should be filed as "X/IA" instead of "X/60106". Instructed VSCC to make the changes for next year's Progress Report.

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

Reviewed database (SQL) to verify inspection days submitted in Attachment 2. Days were also available in the Time Sheet binder. No issues with data in Attachment 2.

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

Verified Operator and Units with the VSCC Unit Binder, annual reports and PDM. No issues with data in Attachment 3.

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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 |
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Evaluator Notes:

Reviewed incidents in PDM and compared with the Progress Report. All reportable incidents were investigated by the VASCC.

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

Reviewed data in the VASCC Enforcement Binders to verify compliance activities. The "corrected" number of compliance needs to be defined to assure reported numbers are consistent with all states. The VASCC is defining the "corrected" violations as the ones that can be corrected by the operator and not the violations that are closed or resolved by the VASCC.

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

Yes, files are kept electronically and also utilize IA for inspections. Files were organized and accessible.

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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 |
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Evaluator Notes:

Yes, verified training with T&Q Blackboard and all data submitted in Attachment seemed accurate.

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



The VSCC has adopted all rules and amendments. The state has automatic adoption of rules and 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:

Planned performance accomplishments are detailed in Progress Report.

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

Evaluator Notes:

The VSCC 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:

Section B of the URS Procedures, page 23, describes all Pre-inspection, inspection and post inspection guidelines.

Pre-inspection Section B (2) Pgs. 23-24

Inspection Section B (3) Pgs. 24-25

Post-inspection Section B (5) Pgs. 26-28

- 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:

Section B of the URS Procedures, page 23, describes all Pre-inspection, inspection and post inspection guidelines.

Pre, Inspection Section B (2) Pgs. 23-24

Post Inspection- Section B (5) Pgs. 26-28

Section I, Transmission Integrity Management Programs (Page 41)

- 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:

Section B of the URS Procedures, page 23, describes all Pre-inspection, inspection and post inspection guidelines.

Operation Qualification Inspections, Pg. 38

- 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:

Section B of the URS Procedures, page 23, describes all Pre-inspection, inspection and post inspection guidelines.

Damage Prevention Inspection Procedures, Pg. 39

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Section H Operator Training Pg. 40 of URS Procedures outlines 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:



Section B of the URS Procedures, page 23, describes all Pre-inspection, inspection and post inspection guidelines. Design Testing and Construction Procedures Pgs. 35 to 37.

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

Evaluator Notes:

LCP (Large Construction Projects) Book is used to check on the types of activities undertaken by operators. Section 5. A. Has procedures for risk based inspection scheduling. Calculate the risk of the operators based on type of infrastructure, leaks, incidents, etc..

The following are utilized to prioritize inspections:
 Appendix No. 4 10-Year Inspection Plan pages 68 to 74
 Section E, Design Testing and Construction Pg. 35
 LCP Book
 Daily Location Sheets
 Inspection Unit Binder
 Division Inspection Risk Model
 PHMSA Interstate Inspection Agreements
 Inspection Units are reviewed annually

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

Evaluator Notes:

The VSCC 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):
 85.13
 B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
 220 X 0.54 = 118.80
 Ratio: A / B
 85.13 / 118.80 = 0.72
 If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0
 Points = 5

Evaluator Notes:

The total inspection person days to total person days ratio met the requirement. Reviewed data to assure numbers submitted were accurate.

- 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:

- a. Yes, all OQ lead insepctors are qualified.
- b. Yes, IMP inspector leads are qualified to conduct inspections.
- c. Several inspectors have taken the root cause course.
- d. Inspectors take outside training throughout the years. In 2018 Scott Marshall attended fire fighter training, etc..
- e. Yes, all leads are qualified to conduct standard inspections. Each inspector goes through training at T&Q and in-house training. The inspectors are checked out to assure the inspector is knowledgeable of how to perform each type of inspection specifically IMP, OQ, etc before doing inspections on their own. Procedures are based on this training.

- 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. Scott Marshall is knowledgeable of the pipeline safety 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:

There was no response required.

- 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:

The State Program sponsored a Pipeline Safety Conference (seminar) on October 22 to 25, 2018 in Virginia Beach, VA. Reviewed Conference Binder and sign in sheets.



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:

Reviewed 10 year plan which includes all inspection types and time frames of each inspection. Reviewed inspection reports to assure the inspection are being completed per the 10 year inspection plan.

The VSCC could not verify if any OQ Plan Inspections have been performed in the past. Per last year's evaluation, the VSCC has until 2019 to complete all OQ Plan inspections of each of their operators to avoid point deductions.

The VSCC has been using PHMSA's CRM inspections of NuStar and Transmontaigne but have not been attending the inspections. The VSCC needs to conduct their own CRM inspections of Nustar and Transmontaigne or participate in PHMSA's inspections to take credit for inspections, to avoid point deductions in the future.

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 VSCC utilized the PHMSA equivalent forms and IA to document their inspections. Reviewed inspection reports to verify to assure all applicable portions of forms were completed.

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:

There was one NRC report submitted in 2018. All third party damages are reported to the State Program, damage prevention trends are monitored by state program staff.

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 VSCC reviews annual reports and incident/accident reports and analyze for trends or findings. They also utilize PDM to review data.

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:

No changes have occurred during original submissions, State Program reviews annual NPMS data submissions during standard/system inspections.

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:

Staff performs standard Drug and Alcohol HQ inspections of its operators, to include the review of MIS Data Sheets and the comprehensive DAMIS inspection federal form. 10-year Inspection plan tracks inspections and inspection binders include inspection reports.

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

Evaluator Notes:

The VSCC could not verify if any OQ Plan Inspections have been performed in the past. Per last year's evaluation, the VSCC has until 2019 to complete all OQ Plan inspections of each of their operators to avoid point deductions in the future.

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

Evaluator Notes:

Staff performed IMP inspections on intrastate H/L operators, per the Division's 10-year inspection plan in 2018 which are inspected within 5 year intervals.

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| 14 | Is state verifying operators Public Awareness programs are up to date and being followed. State should also verify operators have evaluated Public Awareness programs for effectiveness as described in RP1162. PAPEI Effectiveness Inspections should be conducted every four years by operators. 49 CFR 195.440 | 2 | 2 |
|-----------|---|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, the VSCC's 10 year plan tracks each operator's PAPEI inspections. Reviewed PAPEI inspection reports to verify inspections are being completed.

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

Evaluator Notes:

The State has the following mechanisms for communicating with stakeholders, other than state pipeline safety seminar- Division Pipeline Safety Newsletter, e-mail alerts, state website, executive meetings, operator training upon request, VSCC/ LDC meeting.

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|-----------|--|---|---|
| 16 | Did state execute appropriate follow-up actions to Safety Related Condition (SRC) Reports? Chapter 6.3 | 1 | 1 |
|-----------|--|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

There were no SRC Reports for any Operator under the state programs inspection authority during this evaluation period. Staff notes that an SRC was reported to PHMSA for Columbia Gas Transmission in Virginia in 2018, this operator is under PHMSA inspection and enforcement authority. The last SRC in Virginia was submitted on March 25, 2017 SRC 2017-0033, for Colonial Pipeline Co.'s Line 25.

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| 17 | Did the state participate in/respond to surveys or information requests from NAPSRS or PHMSA? | 1 | 1 |
|-----------|---|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

The Program Manager responds to NAPSRS and PHMSA surveys and information requests from PHMSA. The VSCC has a PHMSA/NAPSRS Survey Binder which documents the response to surveys.

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| 18 | If the State has issued any waivers/special permits for any operator, has the state verified conditions of those waivers/special permits are being met? This should include having the operator amend procedures where appropriate. | 1 | 1 |
|-----------|---|---|---|

Needs Improvement = .5 No = 0 Yes = 1

Evaluator Notes:

There are no waivers that need verification or follow-up by the VSCC.



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

Evaluator Notes:

State Program Manager and Division Director attended the NAPS R National Meeting in Santa Fe, NM in 2018.

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:

The State Program Performance Metrics are reviewed regularly by the Program Manager and Program Personnel. Additional, the program metrics are also reproduced and published on the Program's website.

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 the SICT and the VSCC does not have any concerns or issues. The state program has updated the SICT tool prior to the requested due date.

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:

In 2018 none of the operators in the state had the means to execute a flow reversal on their pipelines. However, following the completion of the VNG Southside Connector Project in February 2019, VNG now has the ability to provide product flow reversals in its natural gas transmission pipeline. There are no known HL pipelines which have had flow reversals. All operators are aware of ADP-2014-04

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

Evaluator Notes:

The VSCC 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

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

State Program Procedures, Section B (5) "Post-Inspection Actives" Pgs. 26-28, the Division has weekly and month SQL Db canned reports showing open inspections, open investigations, etc. to assist in the management team tracking the progress of inspection/investigation work production. Appendix No. 5 of the State Program Procedures.

Additionally, the canned reports show if a Notice of Investigation has been generated within the time frame for compliance with the 2016 PIPES Act. Additionally, the state program enforcement procedures are listed in the Program Procedures Appendix No. 6.

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|----|--|--------------------------------------|--|
| 2 | Did the state follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? (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:

State Program Procedures, Section B (5) "Post-Inspection Actives" Pgs. 26-28, the Division has weekly and month SQL Db canned reports showing open inspections, open investigations, etc. to assist in the management team tracking the progress of inspection/investigation work production. Appendix No. 5 of the State Program Procedures.

Additionally, the canned reports show if a Notice of Investigation has been generated within the timeframe for compliance with the 2016 PIPES Act. Additionally, the state program enforcement procedures are listed in the Program Procedures Appendix No. 6. See Open Investigation Canned Report Binder.

Progress of probable violations are routinely reviewed through canned reported distributed to Staff and management. Further, the Division's SharePoint Site tracks the compliance/enforcement actions.

Reviewed inspection reports to assure all probable violations are being documented and resolved on a timely manner. In addition, verified 30 day exit interview and 90 day notifications are being met.

- | | | | |
|---|--|---|---|
| 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 reports to assure all probable violations discovered are being addressed with compliance actions.

- | | | | |
|---|---|---|---|
| 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, State Program Procedures, Section B (5) "Post-Inspection Actives" Pgs. 26-28, details the requirements for exit interviews at the conclusion of the inspection, written preliminary findings (Notice of Investigation). Further, Appendix No. 6 details the process for enforcement responses.

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. Scott Marshall is very familiar with the state process for imposing civil penalties. Civil penalties are considered for any probable violation depending on the severity.

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 VSCC issued civil penalties in 2018 and have done so in the past.

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

Evaluator Notes:

The VSCC 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:

State Procedures Section Q Investigating Incidents and Accidents Pg. 49 and Appendix No. 7, Incident Investigation Procedures Pg. 84

- 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, the VSCC has mechanism to receive and respond to incident notifications.

State Procedures:

Section Q- Discusses State Program On-Call Process

Appendix No. 7, Section VI (E). "DOT-NTSB Memorandum of Understanding ("MOU")"

Appendix No 7, Section VI (A) to (D) details the cooperative investigating efforts

- 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, all PHMSA reportable incidents are investigated. State Procedures discuss the process for gathering information to make decision to go onsite.

Section VI (Q)- Discusses State Program On-Call Process

Section VII "VA SCC Response to Incidents, Accidents and Significant Events" details the required information to gather.

- 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, all reportable incidents were investigated and thoroughly documented.

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

Evaluator Notes:

Yes, the VSCC initiates compliance actions whenever they find that there were violations that contributed to the incident.

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

Evaluator Notes:

Yes, the VSCC assists AID whenever they request assistance or follow-up information.

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

Evaluator Notes:

Division Staff attends various meetings where lessons learned are shared, including LDC/SCC, Pipeline Safety Conferences, NASPR Meetings, operator/contractor safety stand downs etc. where lessons learned are shared. In addition, the state program distributes the Division's Safety Newsletters to all Virginia Operators and shared PHMSA ADB/Alerts to all operators. See PHMSA Incident Reports Follow-Up Actions Binder for examples.

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

Evaluator Notes:

The VSCC 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:

VA SCC has supplemental questionnaire for operators which include all NTSB and Advisory Bulleting questions. The questions are asked during inspections and if there is no scheduled inspection the VA SCC will call operator to verify information.

- 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, the inspectors verify the notifications during unscheduled inspections and review procedures during each risk based inspection. The State program reviews each operator's procedures regarding damage prevention activities. During each risk based inspection, the VA 811 ticket is checked for compliance with damage prevention compliance.

- 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:

See applicable NTSB and VA SCC Supplemental Questions. In Virginia 100% of pipeline damages are reported to the Division for investigation. During each risk-based inspection, the VA 811 ticket is checked for compliance with damage prevention compliance. Damage prevention staff also conduct risk-based inspections of all excavators across the state and check for DP compliance. During the Division's Damage Prevention Advisory Committee Meetings and Conferences best practices are promoted (i.e hand digging best practices, etc.).

- 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:

The state program collects and monitors the damage prevention ratios for each operator, per 1,000 tickets. This data is used to develop trends per operator. Additionally, and overall damages per 1,000 ticket ratio is monitored as a state overall damage ratio. This information is shared during Damage Prevention Advisory Committee Meetings, Damage Prevention Conferences, damage prevention training and outreach.

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

Evaluator Notes:

The VSCC is mainly complying with Part F of the Evaluation.

VA SCC has program called Miss Utility Risk Based Inspection System (MURBI) which maps all the 811 tickets which are risk ranked. In evaluating the VSCC, they demonstrate that they are very proactive in damage prevention.

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:
 Plantation Pipeline Company
 Name of State Inspector(s) Observed:
 Jim Fisher
 Location of Inspection:
 Ashland, VA
 Date of Inspection:
 October 3, 2019
 Name of PHMSA Representative:
 Clint Stephens

Evaluator Notes:
 The field inspection encompassed the evaluation of an integrity dig on 12" steel pipeline. A corrosion cluster was identified once the pipe was exposed.

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

Evaluator Notes:
 Yes. The operator's representative was notified and present during 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. The inspector used VACC Pipeline Integrity Dig Inspection Sheet was used as a guide for the inspection, and that information was input in the PIPES database.

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

Evaluator Notes:
 Yes. The inspector thoroughly documented results of the inspection on the inspection checklist and in the PIPES database.

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 inspector checked the calibration of jeeeping equipment, mag particle testing, coating material, and pit guage.

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

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

Evaluator Notes:
 Yes. The inspector reviewed OQ records of contractor personnel, coating procedures, and observed mag particle testing, coating application, and measuring metal loss on pipeline.



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. The inspector had adequate knowledge of the pipeline safety program and regulations.

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

Evaluator Notes:

There was no exit interview conducted at the time of the inspection, but the operator was briefed on possible issues identified during the inspection.

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

Evaluator Notes:

There was no exit interview, and no probable violations were found during the inspection.

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:

The inspector observed the evaluation of an integrity dig which had a corrosion cluster with 50% metal loss. After evaluation pipe was recoated and jeepped to verify no holidays in coating. Also, OQ records were checked for contractor staff working at site. The inspector did a good job of communicating with operator, taking inspection notes, and reviewing records and procedures.

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



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:
The State utilizes PHMSA Inspection Assistant for all interstate agent inspections.

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 and completed at time of inspection.

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:
The VSCC did not discover any potential pipeline safety probable violations during 2018.

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:
The VSCC did not discover any potential pipeline safety probable violations during 2018.

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:
The state program did not discover any potential pipeline safety probable violations during 2018.

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:
The state program did not discover any potential pipeline safety probable violations during 2018.

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

Evaluator Notes:
The VSCC 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:
The VSCC program does not have a 60106 Agreement for H/L.

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:
The VSCC program does not have a 60106 Agreement for H/L.

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:
The VSCC program does not have a 60106 Agreement for H/L.

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:
The VSCC program does not have a 60106 Agreement for H/L.

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:
The VSCC program does not have a 60106 Agreement for H/L.

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:
The VSCC program does not have a 60106 Agreement for H/L.

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

Evaluator Notes:
The VSCC program does not have a 60106 Agreement for H/L.

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

