



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

1200 New Jersey Avenue SE
Washington DC 20590

2012 Natural Gas State Program Evaluation

for

Delaware PSC

Document Legend

PART:

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



2012 Natural Gas State Program Evaluation -- CY 2012
Natural Gas

State Agency: Delaware

Agency Status:

Date of Visit: 06/17/2013 - 06/21/2013

Agency Representative: Jerry Platt

PHMSA Representative: Patrick Gaume

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

Name/Title: Mr Dallas Winslow, Chair

Agency: Delaware Public Service Commission

Address: 861 Silver Lake Blvd., Ste 100

City/State/Zip: Dover, Delaware 19904

Rating:

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

INSTRUCTIONS:

Complete this evaluation in accordance with the Procedures for Evaluating State Pipeline Safety Program. The evaluation should generally reflect state program performance during CY 2012 (not the status of performance at the time of the evaluation). All items for which criteria have not been established should be answered based on the PHMSA representative's judgment. A deficiency in any one part of a multiple part question should be scored as needs improvement. Determine the answer to the question then select the appropriate point value. If a state receives less than the maximum points, include a brief explanation in the space provided for general comments/regional observations. If a question is not applicable to a state, select NA. Please ensure all responses are COMPLETE and ACCURATE, and OBJECTIVELY reflect state program performance. Increasing emphasis is being placed on performance. This evaluation together with selected factors reported in the state's annual progress report attachments provide the basis for determining the state's pipeline safety grant allocation.

Field Inspection (PART G):

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

Scoring Summary

PARTS

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

Possible Points Points Scored

9	9
15	15
45	42
15	15
2	2
8	8
12	12
0	0
0	0

TOTALS

106 103

State Rating 97.2

PART A - Progress Report and Program Documentation Review

Points(MAX) Score

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

Evaluator Notes:

A1. Yes, Attachment 1 is accurate & is consistent with Attachment 3 & attachment 8.

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

Evaluator Notes:

A2. Yes. Attachment 2 agrees with in-house records of inspection days.

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

Evaluator Notes:

A3. Yes. Attachment 3 is in agreement with Attachment 1.

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

Evaluator Notes:

A4. NA. No reportable incidents in 2012. Last reportable incident occurred in Oct 2010.

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

Evaluator Notes:

A5. Yes, Attachment 5 agrees with the inspection & compliance records.

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

Evaluator Notes:

A6. Yes. Records are a combination of electronic, email, and hard copy

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

Evaluator Notes:

A7. Yes, Robert is fully trained & Jerry is still in his 5 years of training. DE PSC training records agree with TQ training records.

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

Evaluator Notes:

A8. Yes. The regulations are written into the DE Law. Question 1 of attachment 8 was confusing to Jerry. In the future he will report his \$200K/\$2mm authority in the notes.

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

Evaluator Notes:

A9. Yes. the PSC will ensure the operators are making adequate progress in their replacement of cast iron and bare steel pipelines. More attention is planned for the Master Meter Operators this year, especially in terms of their DIMP plans. Also, a better sampling of construction activities is desirable for the upcoming year.

PSC would like to add another inspector to their program to provide for sufficient coverage in the event something should happen to our lone present inspector. This additional staff employee could also be helpful in increasing our role in damage prevention enforcement.

10 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

A10. All records are readily available and organized. The Program Manager keeps the majority of records in the central location of his office. Other records are kept together as appropriate to standard practice of the agency.

Total points scored for this section: 9
Total possible points for this section: 9



PART B - Program Inspection Procedures

Points(MAX) Score

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

Evaluator Notes:

B1. Yes. DE PSC Pipeline Safety Program Procedures, 'INSPECTION PROCEDURES' & Appendix B.

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

Evaluator Notes:

B2. Yes. DE PSC Pipeline Safety Program Procedures, 'INSPECTION PROCEDURES' & Appendix B.

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

Evaluator Notes:

B3. Yes. DE PSC Pipeline Safety Program Procedures, 'INSPECTION PROCEDURES' & Appendix B

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

Evaluator Notes:

B4. Yes. DE PSC Pipeline Safety Program Procedures, 'INSPECTION PROCEDURES' & Appendix B

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

Evaluator Notes:

B5. Yes. DE PSC Pipeline Safety Program Procedures, 'INSPECTION PROCEDURES' & Appendix B.

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

Evaluator Notes:

B6. Yes. DE PSC Pipeline Safety Program Procedures, 'INSPECTION PROCEDURES' & Appendix B.

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

Evaluator Notes:

B7. Yes. DE PSC Pipeline Safety Program Procedures, 'INSPECTION PROCEDURES' & Appendix B.

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

- | | | | |
|--|--------------------------------------|--------------------------|---|
| a. Length of time since last inspection | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b. Operating history of operator/unit and/or location (includes leakage, incident and compliance activities) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c. Type of activity being undertaken by operators (i.e. construction) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d. Locations of operators inspection units being inspected - (HCA's, Geographic areas, Population Density, etc) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| e. Process to identify high-risk inspection units that includes all threats - (Excavation Damage, Corrosion, Natural Forces, Outside Forces, Material and Welds, Equipment, Operators and any Other Factors) | Yes <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:

B8.Yes. DE PSC Inspection Procedures Manual- 'INSPECTION PRIORITIES'

9 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

It is the intent of DE PSC to inspect every Inspection Unit every year, even though Policies and Procedures do not require this. This is nearly achieved every year. Priority is given to the natural gas LDC Units in Procedures and practice, as these cover the majority of citizens in the state. Both LDC's work very well with the DE PSC to help accomplish this mission. MMO's and LPG operators also cooperate well in having their facilities inspected.

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



PART C - Program Performance

Points(MAX) Score

- 1 Was ratio of Total Inspection person-days to total person days acceptable? (Director of State Programs may modify with just cause) Chapter 4.3 (A12) 5 5
Yes = 5 No = 0

A. Total Inspection Person Days (Attachment 2):
126.00

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
 $220 \times 0.84 = 184.80$

Ratio: A / B
 $126.00 / 184.80 = 0.68$

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

Evaluator Notes:

C1. Yes 126 IPD, 0.84 IPY, $126 / (.84 \times 220) = 0.6818$, $> .38$, Okay.

- 2 Has each inspector and program manager fulfilled the T Q Training Requirements? (See Guidelines for requirements) Chapter 4.4 (A8-A11, G19) 5 5
Yes = 5 No = 0 Needs Improvement = 1-4

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

Evaluator Notes:

C2. Yes, Robert is qualified for Standard, OQ, IMP, & has Root Cause Training. He is also maintaining HAZWOPER Certification. Jerry is still in his 5 year 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 (A5) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

C3. Yes, Jerry is now into his 4th year as a Program Manager, I judge him to be competent in his position and I have reminded him to complete his TQ Classes.

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

Evaluator Notes:

C4. Yes, the letters were dated November 1 & Dec 18, 2012. Items 2-5 were responded to as directed.

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

Evaluator Notes:

C5. Yes, in 2009 and on Dec 11, 2012. Tentative schedule for the next one is 2015 but possibly earlier as the 2012 mtg was VERY successful.

- 6 Did state inspect all types of operators and inspection units in accordance with time intervals established in written procedures? Chapter 5.1 (B3) 5 3
Yes = 5 No = 0 Needs Improvement = 1-4

Evaluator Notes:

C6. NI 3 of 5 points - Review of records show that OQ & GIMP re-inspections have not been done within the 3 yr re-

inspection cycle specified in the DE Procedures. The procedures have been re-written to show that the OQ & GIMP re-inspections will be completed by the end of 2014 and re-inspected on a 5 calendar year cycle thereafter.

-
- | | | | |
|---|---|---|---|
| 7 | Did inspection form(s) cover all applicable code requirements addressed on Federal Inspection form(s)? Did State complete all applicable portions of inspection forms? Chapter 5.1 (B4-5)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|---|
-

Evaluator Notes:

C7. Yes, the Federal Form is used and is completely filled out.

- | | | | |
|---|--|---|---|
| 8 | Did the state review operator procedures for determining if exposed cast iron pipe was examined for evidence of graphitization and if necessary remedial action was taken? (NTSB) Chapter 5.1 (B7)
Yes = 1 No = 0 | 1 | 1 |
|---|--|---|---|
-

Evaluator Notes:

C8. Yes. Federal inspection form-# 2 Part 192.489 (b); pp. 19

- | | | | |
|---|---|---|---|
| 9 | Did the state review operator procedures for surveillance of cast iron pipelines, including appropriate action resulting from tracking circumferential cracking failures, study of leakage history, or other unusual operating maintenance condition? (Note: See GPTC Appendix G-18 for guidance) (NTSB) Chapter 5.1 (B8)
Yes = 1 No = 0 | 1 | 1 |
|---|---|---|---|
-

Evaluator Notes:

C9. Yes. Federal inspection form- #2; pg 4 Part 192.613(a)

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

Evaluator Notes:

C10. Yes. Federal inspection form- #2; pg 5 Part 192.615 (a) (7).

- | | | | |
|----|---|---|---|
| 11 | Did the state review operator records of previous accidents and failures including reported third party damage and leak response to ensure appropriate operator response as required by 192.617? Chapter 5.1 (B10,E5)
Yes = 1 No = 0 | 1 | 1 |
|----|---|---|---|
-

Evaluator Notes:

C11. Yes. Federal inspection form- #2; pg 4 & 5 Part 192.614 (c).

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

Evaluator Notes:

C12. Yes. PSC reviews this data on a regular basis for each each LDC and analyzes.

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

Evaluator Notes:

C13. Yes. The information has been placed into the databases.

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

Evaluator Notes:

C14. Yes. Both Gas Transmission operators have corrected their information into NPMS.

- | | | | |
|-----------|--|---|---|
| 15 | Is the state verifying operators are conducting drug and alcohol tests as required by regulations? This should include verifying positive tests are responded to in accordance with program. 49 CFR 199 (I1-3)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|--|---|---|

Evaluator Notes:

C15. Yes, The D&A long Form is used every 3 years for both LDC operators as part of a HQ inspection. The D&A short Form (Form13) is used yearly for at least one Unit for both LDCs.

- | | | | |
|-----------|--|---|---|
| 16 | Is state verifying operators OQ programs are up to date? This should include verification of any plan updates and that persons performing covered tasks (including contractors) are properly qualified and requalified at intervals determined in the operators plan. 49 CFR 192 Part N (I4-7)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|--|---|---|

Evaluator Notes:

C16. Yes, in that OQ Protocol 9 inspections are part of almost every Standard Inspection. Full OQ re-inspections are being scheduled.

- | | | | |
|-----------|--|---|---|
| 17 | Is state verifying operator's gas transmission integrity management programs (IMP) are up to date? This should include a previous review of IMP plan, along with monitoring progress on operator tests and remedial actions. In addition, the review should take in to account program review and updates of operators plan(s). 49 CFR 192 Subpart 0 (I8-12)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|-----------|--|---|---|

Evaluator Notes:

C17. Yes, the transmission operators are being spot checked to an IMP protocol yearly. Full GIMP re-inspections will be conducted before year-end 2014.

- | | | | |
|-----------|---|---|---|
| 18 | Is state verifying operator's gas distribution integrity management Programs (DIMP)? This should include a review of DIMP plans, along with monitoring progress. In addition, the review should take in to account program review and updates of operators plan(s). 49 CFR 192 Subpart P
DIMP ? First round of program inspections should be complete by December 2014 | 2 | 2 |
|-----------|---|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

C18. Yes, DPSC is aware of the 2014 deadline, and has completed DIMPs of the LDCs and some of the MMOs.

- | | | | |
|-----------|--|---|---|
| 19 | Is state verifying operators Public Awareness programs are up to date and being followed. State should also verify operators have evaluated Public Awareness programs for effectiveness as described in RP1162. 49 CFR 192.616 (I13-16)
PAPEI Effectiveness Inspections should be complete by December 2013 | 2 | 2 |
|-----------|--|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

C19. Yes, DPSC is aware of the 2013 deadline, and has completed PAPEIs of the LDCs and some of the MMOs & LPGOs.

- | | | | |
|-----------|--|---|---|
| 20 | Does the state have a mechanism for communicating with stakeholders - other than state pipeline safety seminar? (This should include making enforcement cases available to public). (G20-21) | 1 | 1 |
|-----------|--|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

C20. Yes, for Public-Dockets & Commission Mtg Agendas; for Operators- inspections, training, emails, phone, letters, USPCD mtgs, plus Dockets & Commission agendas.

21	Did state execute appropriate follow-up actions to Safety Related Condition (SRC) Reports? Chapter 6.3 (B6)	1	NA
----	---	---	----

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

C21. NA ? no SRC since before 2010.

22	Did the State ask Operators to identify any plastic pipe and components that has shown a record of defects/leaks and what those operators are doing to mitigate the safety concerns? (G13)	1	0
----	--	---	---

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

C22. NO. 0 points. The need to contact the operators was established in the 2012 evaluation. Contact has NOT been made to-date.

23	Did the state participate in/respond to surveys or information requests from NAPSRS or PHMSA? (H4)	1	1
----	--	---	---

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

C23. Yes. DPSC actively participated in NAPSRS and PHMSA survey/information requests.

24	General Comments:	Info Only	Info Only
----	-------------------	-----------	-----------

Info Only = No Points

Evaluator Notes:

C24 The DE PSC has set a very aggressive agenda to inspect every Inspection Unit in some fashion on an annual basis. This load has demonstrated the need to consider a second inspector, and this is especially important for succession planning. A particular need will be to conduct GIMP, DIMP, OQ, and PAPEI inspections in 2013 and 2014, along with continuing to conduct comprehensive Standard Inspections. Also, there will be continued emphasis on Incident Investigations and Construction Inspections.

Total points scored for this section: 42
Total possible points for this section: 45



PART D - Compliance Activities

Points(MAX) Score

- 1 Does the state have written procedures to identify steps to be taken from the discovery to resolution of a probable violation? Chapter 5.1 (B12-14, B16, B1h) 4 4
Yes = 4 No = 0 Needs Improvement = 1-3
- a. Procedures to notify an operator (company officer) when a noncompliance is identified Yes ☒ No ☐ Needs Improvement ☐
- b. Procedures to routinely review progress of compliance actions to prevent delays or breakdowns Yes ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

D1. Yes. DE PSC Inspection Procedures Manual- pg 6-.

- 2 Did the state follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? Chapter 5.1 (B11,B18,B19) 4 4
Yes = 4 No = 0 Needs Improvement = 1-3
- a. Were compliance actions sent to company officer or manager/board member if municipal/government system? Yes ☒ No ☐ Needs Improvement ☐
- b. Were probable violations documented? Yes ☒ No ☐ Needs Improvement ☐
- c. Were probable violations resolved? Yes ☒ No ☐ Needs Improvement ☐
- d. Was the progress of probable violations routinely reviewed? Yes ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

D2. Yes. DE PSC Inspection Procedures Manual- pg 6-. The 3 compliance actions appear to be following the procedures.

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

Evaluator Notes:

D3. Yes. All PV are being handled in a timely manner. Some PV found in Dec, 2012 are actively being addressed.

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

Evaluator Notes:

D4. Yes, See DE State Administrative Code Title 26 Public Services- 8000 Gas Regulations, Para# 6.

- 5 Is the program manager familiar with state process for imposing civil penalties? Were civil penalties considered for repeat violations (with severity consideration) or violations resulting in incidents/accidents? (describe any actions taken) (B27) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

D5. Yes, the Program Manager is familiar with the Administrative Code, and is confident of being able to get Civil Penalties assessed when circumstances require them.

- 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, for this year. DE has not issued a civil penalty to date, but it is still a new program. There is strong evidence of Operator investment in PL safety. I advised DPSC that inadequate or absent DIMP plans or PAP plans should result in civil penalties.

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

Evaluator Notes:

State Regulations include procedures for handling probable violations and civil penalties. The DE PSC has demonstrated its use of the NOPV to get operators to correct the more minor violations. DE PSC also recognizes the ability to assess civil penalties as appropriate and how to convince operators to perform as required, given the possibility of civil penalties. Most operators, especially the LDC's, have demonstrated their awareness of the possibility of civil penalties by being very proactive in meeting all requirements of the Regulations. Given the directives that PHMSA has received, DE PSC understands that issuing some civil penalties are expected.

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



PART E - Incident Investigations

Points(MAX) Score

- | | | | |
|----------|---|--------------------------------------|--|
| 1 | Does state have adequate mechanism to receive and respond to operator reports of incidents, including after-hours reports? And did state keep adequate records of Incident/Accident notifications received? Chapter 6 (A2,D1-3)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
| a. | Acknowledgement of MOU between NTSB and PHMSA (Appendix D) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| b. | Acknowledgement of Federal/State Cooperation in case of incident/accident (Appendix E) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |

Evaluator Notes:

E1. Yes, DE PSC is aware of the NTSB-PHMSA MOU and has an active partnership with PHMSA-ER.

- | | | | |
|----------|---|---|----|
| 2 | If onsite investigation was not made, did state obtain sufficient information from the operator and/or by other means to determine the facts to support the decision to not go on-site? Chapter 6 (D4)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

E2. NA ? There has been no reportable incident since 2010. DE PSC fully expects to inspect on-site in the event of an incident.

- | | | | |
|----------|--|---------------------------|---|
| 3 | Were all incidents investigated, thoroughly documented, and with conclusions and recommendations? (D5)
Yes = 3 No = 0 Needs Improvement = 1-2 | 3 | NA |
| a. | Observations and document review | Yes <input type="radio"/> | No <input checked="" type="radio"/> Needs Improvement <input type="radio"/> |
| b. | Contributing Factors | Yes <input type="radio"/> | No <input checked="" type="radio"/> Needs Improvement <input type="radio"/> |
| c. | Recommendations to prevent recurrences when appropriate | Yes <input type="radio"/> | No <input checked="" type="radio"/> Needs Improvement <input type="radio"/> |

Evaluator Notes:

E3. NA ? DE PSC expects to fully document an incident.

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

Evaluator Notes:

E4. NA ? DE PSC is fully prepared to initiate compliance action for violations found during any incident investigation

- | | | | |
|----------|--|---|----|
| 5 | Did the state assist region office by taking appropriate follow-up actions related to the operator incident reports to ensure accuracy and final report has been received by PHMSA? (validate report data from operators concerning incidents/accidents and investigate discrepancies) Chapter 6 (D7)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

E5. NA ? DE PSC is fully prepared to coordinate with the ER.

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

Evaluator Notes:

E6. NA ? DE PSC has shared lessons learned in the past at ER NAPSRR Mtgs, is fully prepared to do so again.

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

Evaluator Notes:

E7. DE PSC has been in the fortunate position to have avoided any Incidents since 2010. However, they are familiar with all appropriate protocol and prepared to respond as required should an Incident occur in the future.

Total points scored for this section: 2
Total possible points for this section: 2



PART F - Damage Prevention

Points(MAX) Score

- | | | | |
|---|---|---|---|
| 1 | Has the state reviewed directional drilling/boring procedures of each pipeline operator or its contractor to determine if they include actions to protect their facilities from the dangers posed by drilling and other trench less technologies? NTSB (E1)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

F1. Yes. PSC reviews Directional Procedures on an annual basis as part of the O&M review of both gas operators.

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

Evaluator Notes:

F2. Yes. DE PSC reviews Damage Prevention Procedures on an annual basis as part of the O&M review of both gas operators. Gas operators are members of the One Call system.

- | | | | |
|---|---|---|---|
| 3 | Did the state encourage and promote practices for reducing damages to all underground facilities to its regulated companies? (i.e. such as promoting/adopting the CGA Best Practices encouraging adoption of the 9 Elements, etc.) (E3)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

F3. Yes. DE PSC staff actively participates in Damage Prevention activities and attends meetings. PSC also prepares targeted Radio announcements

- | | | | |
|---|--|---|---|
| 4 | Has the agency or another organization within the state collected data and evaluated trends on the number of pipeline damages per 1,000 locate requests? (This can include DIRT and other data shared and reviewed by the pipeline safety program) (E4,G5)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|--|---|---|

Evaluator Notes:

F4. Yes. In DE, USPCD is a central clearing house for collection of damage data and locate requests. USPCD provides data to PSC on a monthly basis. PSC reviews and analyzes it for possible trends.

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

Evaluator Notes:

F5. The Inspector annually questions the two LDC's with regards to Damage Prevention. In addition, the Program Manager has regular contact with both LDC's and other stakeholders through attendance at monthly USPCD Meetings. DE PSC has used the services of a marketing firm to target appropriate audiences in their One-Call radio ads, and monthly statistics indicate a drop in damages in months succeeding these radio ads.

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:

Delmarva Power, opid 3240

Name of State Inspector(s) Observed:

Bob Schaeffen

Location of Inspection:

two construction sites in Wilmington, DE On Oak St & Washington St.

Date of Inspection:

6/20/2013

Name of PHMSA Representative:

Patrick Gaume

Evaluator Notes:

G1. Delmarva Power, opid 3240, Bob Schaeffen, two construction sites in Wilmington, DE On Oak St & Washington St.
6/20/2013, Patrick Gaume

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

Evaluator Notes:

G2. Yes, two Delmarva engineers and the contract excavation crew were present at both sites.

- 3 Did the inspector use an appropriate inspection form/checklist and was the form/checklist used as a guide for the inspection? (New regulations shall be incorporated) (F3) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

G3. Yes, a DE State developed Form which is based on other State Partner Construction Forms. I shared PHMSA Form 5 as an additional construction resource. Given that the construction projects are for replacement of cast iron with 6" PE Main along city streets, the State Form is more applicable.

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

Evaluator Notes:

G4. Yes, all applicable portions of the form were filled out. These were spot inspections of continuing work.

- 5 Did the inspector check to see if the operator had necessary equipment during inspection to conduct tasks viewed? (Maps,pyrometer,soap spray,CGI,etc.) (F5) 1 1
Yes = 1 No = 0

Evaluator Notes:

G5. Yes. PE fusing equip, back hoe, & hand tools, site security and traffic control, ladders where the ditch was 4', crowd control cones and tape, equipment check list for fusion equipment, etc.

- 6 Did the inspector adequately review the following during the field portion of the state evaluation? (check all that apply on list) (F7) 2 2
Yes = 2 No = 0 Needs Improvement = 1

a. Procedures ☒

b. Records ☒

c. Field Activities ☒

d. Other (please comment) ☐

Evaluator Notes:

G6. Yes, this was a Field construction spot inspection at 2 sites.

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

Evaluator Notes:

G7. Yes, it is obvious that Bob has been doing this type of work for many years and he demonstrated a professional level of knowledge while inspecting these construction activities.

8	Did the inspector conduct an exit interview? (If inspection is not totally complete the interview should be based on areas covered during time of field evaluation) (F9)	1	1
	Yes = 1 No = 0		

Evaluator Notes:

G8. Yes, Bob found that the operator and contract excavator were following procedures with no violations found.

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

Evaluator Notes:

G9. Yes, Bob found that the operator and contract excavator were following procedures with no violations found.

10	General Comments: What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) Other.	Info Only	Info Only
	Info Only = No Points		

- | | | |
|----|-----------------------------------|-------------------------------------|
| a. | Abandonment | <input type="checkbox"/> |
| b. | Abnormal Operations | <input type="checkbox"/> |
| c. | Break-Out Tanks | <input type="checkbox"/> |
| d. | Compressor or Pump Stations | <input type="checkbox"/> |
| e. | Change in Class Location | <input type="checkbox"/> |
| f. | Casings | <input type="checkbox"/> |
| g. | Cathodic Protection | <input type="checkbox"/> |
| h. | Cast-iron Replacement | <input checked="" type="checkbox"/> |
| i. | Damage Prevention | <input checked="" type="checkbox"/> |
| j. | Deactivation | <input checked="" type="checkbox"/> |
| k. | Emergency Procedures | <input type="checkbox"/> |
| l. | Inspection of Right-of-Way | <input checked="" type="checkbox"/> |
| m. | Line Markers | <input checked="" type="checkbox"/> |
| n. | Liaison with Public Officials | <input checked="" type="checkbox"/> |
| o. | Leak Surveys | <input type="checkbox"/> |
| p. | MOP | <input type="checkbox"/> |
| q. | MAOP | <input type="checkbox"/> |
| r. | Moving Pipe | <input checked="" type="checkbox"/> |
| s. | New Construction | <input checked="" type="checkbox"/> |
| t. | Navigable Waterway Crossings | <input type="checkbox"/> |
| u. | Odorization | <input type="checkbox"/> |
| v. | Overpressure Safety Devices | <input type="checkbox"/> |
| w. | Plastic Pipe Installation | <input checked="" type="checkbox"/> |
| x. | Public Education | <input type="checkbox"/> |
| y. | Purging | <input type="checkbox"/> |
| z. | Prevention of Accidental Ignition | <input type="checkbox"/> |
| A. | Repairs | <input type="checkbox"/> |
| B. | Signs | <input type="checkbox"/> |
| C. | Tapping | <input type="checkbox"/> |

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

Evaluator Notes:

G10. Active excavation with back hoe and hand tools, rock removal, traffic control, site security, pipe storage, recently installed pipe, fusing equipment, noted the tracer wire, ditch safety and ladder, routing around a storm drain, inspection forms, inspection drawing, line marking, other existing gas and water lines, & pipe stencil line.

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)? (C1)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

H1-H8. NA ? Not an Interstate Agent.

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

Evaluator Notes:

H1-H8. NA ? Not an Interstate Agent.

- | | | | |
|----------|---|---|----|
| 3 | Did the state submit documentation of the inspections within 60 days as stated in its latest Interstate Agent Agreement form? (C3)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

H1-H8. NA ? Not an Interstate Agent.

- | | | | |
|----------|--|---|----|
| 4 | Were probable violations identified by state referred to PHMSA for compliance? (NOTE: PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation.) (C4)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

H1-H8. NA ? Not an Interstate Agent.

- | | | | |
|----------|--|---|----|
| 5 | Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? (C5)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

H1-H8. NA ? Not an Interstate Agent.

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

Evaluator Notes:

H1-H8. NA ? Not an Interstate Agent.

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

Evaluator Notes:

H1-H8. NA ? Not an Interstate Agent.

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

Evaluator Notes:

H1-H8. NA ? Not an Interstate Agent.

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

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

- | | | | |
|----------|--|---|----|
| 1 | Did the state use the current federal inspection form(s)? (B21)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|--|---|----|

Evaluator Notes:

I1-I7. NA ? not a 60106 Agreement State Program.

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

Evaluator Notes:

I1-I7. NA ? not a 60106 Agreement State Program.

- | | | | |
|----------|---|---|----|
| 3 | Were any probable violations identified by state referred to PHMSA for compliance? (NOTE: PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation.) (B23)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | NA |
|----------|---|---|----|

Evaluator Notes:

I1-I7. NA ? not a 60106 Agreement State Program.

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

Evaluator Notes:

I1-I7. NA ? not a 60106 Agreement State Program.

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

Evaluator Notes:

I1-I7. NA ? not a 60106 Agreement State Program.

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

Evaluator Notes:

I1-I7. NA ? not a 60106 Agreement State Program.

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

Evaluator Notes:

I1-I7. NA ? not a 60106 Agreement State Program.

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