



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

1200 New Jersey Avenue SE
Washington DC 20590

2013 Natural Gas State Program Evaluation

for

IOWA UTILITIES BOARD

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)

2013 Natural Gas State Program Evaluation -- CY 2013
Natural Gas

State Agency: Iowa

Agency Status:

Date of Visit: 05/06/2014 - 05/08/2014

Agency Representative: Don Stursma, Program Manager

PHMSA Representative: Rex Evans

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

Name/Title: Elizabeth S. Jacobs, Chair

Agency: Iowa Utilities Board

Address: 1375 East Court Avenue, Room 69

City/State/Zip: Des Moines, IA 50319

Rating:

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

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 2013 (not the status of performance at the time of the evaluation). All items for which criteria have not been established should be answered based on the PHMSA representative's judgment. A deficiency in any one part of a multiple part question should be scored as needs improvement. Determine the answer to the question then select the appropriate point value. If a state receives less than the maximum points, include a brief explanation in the space provided for general comments/regional observations. If a question is not applicable to a state, select NA. Please ensure all responses are COMPLETE and ACCURATE, and OBJECTIVELY reflect state program performance. Increasing emphasis is being placed on performance. This evaluation together with selected factors reported in the state's annual progress report attachments provide the basis for determining the state's pipeline safety grant allocation.

Field Inspection (PART G):

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

Scoring Summary

| PARTS | | Possible Points | Points Scored |
|---------------------------|--|-----------------|---------------|
| A | Progress Report and Program Documentation Review | 10 | 10 |
| B | Program Inspection Procedures | 15 | 15 |
| C | Program Performance | 45 | 45 |
| D | Compliance Activities | 15 | 13 |
| E | Incident Investigations | 9 | 9 |
| F | Damage Prevention | 8 | 8 |
| G | Field Inspections | 12 | 12 |
| H | Interstate Agent State (If Applicable) | 3 | 2 |
| I | 60106 Agreement State (If Applicable) | 0 | 0 |
| TOTALS | | 117 | 114 |
| State Rating | | | 97.4 |

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: The information provided matches database, no issues | | | |
| 2 | Review of Inspection Days for accuracy - Progress Report Attachment 2 (A1b) Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
| Evaluator Notes: information reviewed matches database. All appear ok | | | |
| 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: Progress report matches data in record listing. | | | |
| 4 | Were all federally reportable incident reports listed and information correct? - Progress Report Attachment 4 (A1d) Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
| Evaluator Notes: The information listed appears to be correct. | | | |
| 5 | Accuracy verification of Compliance Activities - Progress Report Attachment 5 (A1e) Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
| Evaluator Notes: Compliance activities were reviewed and the numbers appear to match database 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: Again, all files and information is out on web. Web-search query tool doesn't always bring up all documents wanted, but all documents looked for were found. | | | |
| 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: TQ provided information appears correct | | | |
| 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: All verified ok | | | |
| 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:

No issues

10 General Comments:

Info Only = No Points

Evaluator Notes:

Info OnlyInfo Only

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

PART B - Program Inspection Procedures

Points(MAX) Score

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

Evaluator Notes:

Standard Inspection procedures, begin on Page 1 of Standard Inspection document. It's been a couple of years since updating and could use a refresh.

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

Although IMP issues are reviewed with each standard inspection, recommend annual review with largest LDC's to ensure IMP issues are up to date.

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

Evaluator Notes:

OQ begins on page 2 of procedures document.

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

Evaluator Notes:

Damage Prevention procedures start on Page 3 of document

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

These begin on page 3 of document

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

No issues, these start on page 4 of document

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

Starting on page 4 of document

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

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

f. Are inspection units broken down appropriately?

Yes ☒ No ☐ Needs Improvement ☐

Evaluator Notes:

Pages 5-7 of procedures

9 General Comments:

Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

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):
454.10

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 4.37 = 961.58

Ratio: A / B
454.10 / 961.58 = 0.47

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

Evaluator Notes:

454 person days, well over required minimum. Full points

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

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

Evaluator Notes:

all basics appear to be covered. Again recommend curriculum review - a lot of training for new inspectors.

- 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:

no issues

- 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:

response was within 60 days and issues addressed

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

Evaluator Notes:

In both 2014 and 2012. No issues

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

Evaluator Notes:

The records reviewed show all operators were inspected per time frames. Time interval are listed in Procedures for Scheduling Pipeline Inspections

| | | | |
|--|--|---|---|
| 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: all code sections appear to be covered and 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: Covered on checklist, corrosion control | | | |
| 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: questions covered on continuing surveillance for 192.613. No issues. | | | |
| 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: on checklists under 192.615 section | | | |
| 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: operator record review on this is covered under 192.617 on checklist | | | |
| 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: This had been done by inspector no longer with program. Will need to make sure this is reassigned to another inspector for CY2014 or loss of points likely | | | |
| 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: Lost one point on this section last year, it looks like several OQ field forms were uploaded and IMP were uploaded. Reminded this needs to keep happening and can use Inspection Assistance as an alternative. | | | |
| 14 | Has state confirmed intrastate transmission operators have submitted information into NPMS database along with changes made after original submission? (G14) | 1 | 1 |

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

This is on checklist to verify with operators.

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| 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:

Yes, this is listed and checked on standard inspection and information is verified. Recommend review of D & A process and contact Stan Kastanas if necessary.

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| 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:

They have OQ subpart N section on checklist with set of questions thorough enough to verify plans are updated and persons are qualified.

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

Evaluator Notes:

They do this during standard inspections, this is included on Subpart O of checklist. Recommended annual review with operators to make sure opportunity to review progress on operator tests and remedial action.

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| 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:

On target and no issues at this time. Also recommend annual review with large operators to show monitoring progress.

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

The information reviewed showed all inspections were complete

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| 20 | Does the state have a mechanism for communicating with stakeholders - other than state pipeline safety seminar? (This should include making enforcement cases available to public). (G20-21) Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

IUB website is main mechanism. All correspondence. efs.iowa.gov/efs most reports are listed under code RG for type of report

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

Evaluator Notes:

No intrastate in CY2013

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|-----------|---|---|---|
| 22 | Did the State ask Operators to identify any plastic pipe and components that has shown a record of defects/leaks and what those operators are doing to mitigate the safety concerns? (G13) Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

on standard checklist, 192.617 components

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

no issues

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| 24 | 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. Info Only = No Points | Info Only | Info Only |
|-----------|--|-----------|-----------|

Evaluator Notes:

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|-----------|--|-----------|-----------|
| 25 | General Comments: Info Only = No Points | Info Only | Info Only |
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Evaluator Notes:

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

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 (B12-14, B16, B1h) Yes = 4 No = 0 Needs Improvement = 1-3 | 4 | 3 |
| a. | Procedures to notify an operator (company officer) when a noncompliance is identified | Yes <input type="radio"/> | No <input type="radio"/> Needs Improvement <input checked="" 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"/> |

Evaluator Notes:

Improvement needed in procedures to notify proper individual when noncompliances are identified. Discovered most compliance issues with municipal systems were not sent to Mayor and mostly sent to other individuals - improvement is needed.

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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? Chapter 5.1 (B11,B18,B19) Yes = 4 No = 0 Needs Improvement = 1-3 | 4 | 3 |
| a. | Were compliance actions sent to company officer or manager/board member if municipal/government system? | Yes <input type="radio"/> | No <input type="radio"/> Needs Improvement <input checked="" type="radio"/> |
| b. | Were probable violations documented? | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| c. | Were probable violations resolved? | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| d. | Was the progress of probable violations routinely reviewed? | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |

Evaluator Notes:

Compliances were not sent to proper person for municipal systems. Improvement needed and one point deducted. Had a discussion about the length of time compliance actions were left open and particularly on violations written for both Alliant Energy and Black Hills energy for issues with 192.723 leak survey violations. Although no points were deducted, these processes should be reviewed along with analysis of possible civil penalties being warranted for same operator issues but different inspection units.

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

Compliance actions - primarily letters were used on all apparent violations

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

no issues

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

Evaluator Notes:

Discussed violations - see question D2 civil penalties could be warranted Interstate Power (Alliant Energy) and Black Hills energy non-compliances on leak survey issues. Did not deduct points because it looks like issues are followed up on and civil penalties have been used.

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

Evaluator Notes:

Small #'s of small fines have been issued in recent past,

7

General Comments:

Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

Total points scored for this section: 13
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) 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:

There is after hours process. No issues

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

Evaluator Notes:

Sufficient Info obtained. All ok

- 3** Were all incidents investigated, thoroughly documented, and with conclusions and recommendations? (D5) 3 3
Yes = 3 No = 0 Needs Improvement = 1-2

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

Evaluator Notes:

Information reviewed indicated no issues

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

Evaluator Notes:

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

Evaluator Notes:

The issue was discussed and will put in program manager letter to make sure they cooperate with region on this and all data issues.

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

Evaluator Notes:

no issues

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

Evaluator Notes:

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

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:

This is on Distribution checklist.

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

This is on page 14 checklist. No issues.

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

Very active in state CGA. No issues.

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

Information on annual reports.

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

Evaluator Notes:

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

PART G - Field Inspections

Points(MAX) Score

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|---|--|--|-----------|
| 1 | Operator, Inspector, Location, Date and PHMSA Representative Info Only = No Points Name of Operator Inspected: Black Hills Energy Name of State Inspector(s) Observed: Dan O'Conner Location of Inspection: Council Bluffs Iowa Date of Inspection: May 6-7, 2014 Name of PHMSA Representative: Rex Evans Evaluator Notes: | Info Only | Info Only |
| 2 | Was the operator or operator's representative notified and/or given the opportunity to be present during inspection? (F2) Yes = 1 No = 0 Evaluator Notes: Operator was present during entire inspection | 1 | 1 |
| 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) Yes = 2 No = 0 Needs Improvement = 1 Evaluator Notes: Yes, was also provided with completed inspection form. | 2 | 2 |
| 4 | Did the inspector thoroughly document results of the inspection? (F4) Yes = 2 No = 0 Needs Improvement = 1 Evaluator Notes: Review of the inspection form indicates results were thoroughly documented. | 2 | 2 |
| 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) Yes = 1 No = 0 Evaluator Notes: no issues | 1 | 1 |
| 6 | Did the inspector adequately review the following during the field portion of the state evaluation? (check all that apply on list) (F7) Yes = 2 No = 0 Needs Improvement = 1 a. Procedures b. Records c. Field Activities d. Other (please comment) Evaluator Notes: No issues found | 2 <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> | 2 |
| 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:

I found no issued with inspectors knowledge

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

Evaluator Notes:

I only participated in small part of entire inspection, but information was clearly asked for and relayed as we went along. No issues.

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

Evaluator Notes:

Full credit per review of completed inspection report and findings relayed to operator.

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

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

- G. OQ - Operator Qualification
- H. Compliance Follow-up
- I. Atmospheric Corrosion
- J. Other

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Evaluator Notes:

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

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

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|----------|---|---|-----|
| 1 | Did the state use the current federal inspection form(s)? (C1) Yes = 1 No = 0 Needs Improvement = .5 | 1 | 0.5 |
|----------|---|---|-----|

Evaluator Notes:

Per central Region. Needs Improvement. Very reluctant to utilize inspection assistant. Dan OConner did not submit PIM, but did enter info into IA. Shill and Bloome submitted PIMS ok.

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

Evaluator Notes:

Needs improvement, per Central Region - Repeatedly asked to submit CP readings at locations visited in the field. O'Conner and Shill do not do this. Bloome ok.

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|----------|---|---|---|
| 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 | 1 |
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Evaluator Notes:

Sometimes misses by a few days, sometimes a couple of weeks, for most part ok per Central Region. Recommended full point.

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| 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:

none found N/A

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|----------|--|---|----|
| 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 |
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Evaluator Notes:

N/A None

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| 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 |
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Evaluator Notes:

Per central region. N/A none

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| 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 |
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Evaluator Notes:

per central region - N/A None

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|----------|--|--|--------------------|
| 8 | General Comments: Info Only = No Points | | Info OnlyInfo Only |
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Evaluator Notes:

Per central region - Iowa is required to do the following
1. Submit a Post Inspection Memo (PIM)

2. enter information into Inspection Assistant
 3. Include locations of readings of locations visited.
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Total points scored for this section: 2
Total possible points for this section: 3

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

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

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

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- | | | | |
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| 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 |
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Evaluator Notes:

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| 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 |
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Evaluator Notes:

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

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

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

Evaluator Notes:

section not applicable

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