



2009 Natural Gas State Program Evaluation

for

MA DEPT. OF PUBLIC UTILITIES

Document Legend

PART:

- O -- Representative Date and Title Information
- A -- General Program Qualifications
- B -- Inspections and Compliance - Procedures/Records/Performance
- C -- Interstate Agent States
- D -- Incident Investigations
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2009 Natural Gas State Program Evaluation -- CY 2009
Natural Gas

State Agency: Massachusetts
Agency Status:
Date of Visit: 07/26/2010 - 07/30/2010
Agency Representative: Christopher J. Bourne
PHMSA Representative: Dino N.Rathod, P.E.
Commission Chairman to whom follow up letter is to be sent:
Name/Title: Ann G. Berwick, Chair
Agency: Massachusetts Department of Public Utilities
Address: One South Station
City/State/Zip: Boston, Massachusetts 02110

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 2009 (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 certification/agreement attachments provide the basis for determining the state's pipeline safety grant allocation.

Field Inspection (PART F):

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 F, the PHMSA representative should include a written summary which thoroughly documents the inspection.

Scoring Summary

PARTS	Possible Points	Points Scored
A General Program Qualifications	25	21
B Inspections and Compliance - Procedures/Records/Performance	24.5	23.5
C Interstate Agent States	0	0
D Incident Investigations	7	6.5
E Damage Prevention Initiatives	9	9
F Field Inspection	11	11
G PHMSA Initiatives - Strategic Plan	9.5	8.5
H Miscellaneous	3	3
I Program Initiatives	9	6
TOTALS	98	88.5
State Rating		90.3



PART A - General Program Qualifications

Points(MAX) Score

1	Did the state submit complete and accurate information on the attachments to its most current 60105(a) Certification/60106 (a) Agreement? (NOTE: PHMSA Representative to verify certification/agreement attachments by reviewing appropriate state documentation. Score a deficiency in any one area as "needs improvement". Attachment numbers appear in parenthesis) Previous Question A.1, Items a-h worth 1 point each Yes = 8 No = 0 Needs Minor Improvement = 3-7 Needs Major Improvement = 2	8	7
	a. State Jurisdiction and agent status over gas facilities (1)		<input checked="" type="checkbox"/>
	b. Total state inspection activity (2)		<input checked="" type="checkbox"/>
	c. Gas facilities subject to state safety jurisdiction (3)		<input checked="" type="checkbox"/>
	d. Gas pipeline incidents (4)		<input checked="" type="checkbox"/>
	e. State compliance actions (5)		<input checked="" type="checkbox"/>
	f. State record maintenance and reporting (6)		<input checked="" type="checkbox"/>
	g. State employees directly involved in the gas pipeline safety program (7)		<input checked="" type="checkbox"/>
	h. State compliance with Federal requirements (8)		<input checked="" type="checkbox"/>

SLR Notes:

Incorrectly shown Information in Attachment 1 and 3- Number of Municipals 4 vs. 56. "Also word "MASTER METER" appears in address line in several listings in Attachmnet 3. PUC to resolve and have corrected information in these Attachments. In Attachmnet 5- Recheck amounts shown for "Dollars Assessed" and Dollars Collected". PUC to add a note with explanation that Total amount collected shows for Civil Penalty Assessed in previous years. Atchment 7- PUC to recheck training records for all pipeline safety inspection staff and correct to reflect "Suuccessful Completion". Revise and resubmit, as necessary thru FedStar and signed hard copies.

2	Did the state have an adequate mechanism to receive operator reporting of incidents to ensure state compliance with 60105(a) Certification/60106(a) Agreement requirements (fatality, injury requiring hospitalization, property damage exceeding \$50,000 - Mechanism should include receiving "after hours" reports)? (Chapter 6) Previous Question A.2 Yes = 1 No = 0	1	1
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SLR Notes:

Phone call to DPU Gas Safety main tel #; After hrs, phone goes thru standby tel# and forwarded to assigned pipeline inspection staff member. Chris Bourne is a back-up.

3	Has the state held a pipeline safety TQ seminar(s) in the last 3 years? (NOTE: Indicate date of last seminar or if state requested seminar, but T&Q could not provide, indicate date of state request for seminar. Seminars must be held at least once every 3 calendar years.) (Chapter 8.5) Previous Question A.4 Yes = 2 No = 0	2	2
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SLR Notes:

DPU staff was unable to attend T&Q Joint seminar held ar Meridith, NH in 2009 and in 2010 in Ogonquit, ME due to "Out-of -State" travel ban. However DPU attended and participated in previous NEPSR seminars in 2007-2008. PHMSA strongly encourages attendance and active participation by DPU staff and enable intrastate operators critical interaction available thru these seminars.

4	Were pipeline safety program files well-organized and accessible?(NOTE: This also includes electronic files) (Chapter 5) Previous Question A.5 Yes = 1 No = 0	1	1
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SLR Notes:

DPU maintains hard copy files and electronic database- Compliance records in Exel database.

5	Did state records and discussions with the state pipeline safety program manager indicate adequate knowledge of PHMSA program and regulations? (Chapter 4.1, Chapter 8.1) Previous Question A.6 Yes = 2 No = 0 Needs Improvement = 1	2	2
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SLR Notes:

Chris Bourne brings in many years of pipeline safety regulatory experience. He also active in LNG and NASPR initiatives. He has completed pipeline safety training courses and provides guidance to staff. He works closely with PHMSA.

6	Did the state respond in writing within 60 days to the requested items in the Chairman's letter following the Region's last program evaluation? (No response is necessary if no items are requested in letter and mark "Yes") (Chapter 8.1) Previous Question A.8 Yes = 1 No = 0	1	1
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SLR Notes:

DPU Chairman response letter was sent Feb 15, 2010



- 7 What actions, if necessary, did the State initiate as a result of issues raised in the Chairperson's letter from the previous year? Did actions correct or address deficiencies from previous year's evaluation? (No response is necessary if no items are requested in letter and mark "Yes") (Chapter 8.1) Previous Question A.8/A.9 1 1
Yes = 1 No = 0

SLR Notes:

DPU is aware of DIMP rule and need to review inspevtion activities. Budgetary restrictions would not impact inspection and pipeline safety related activities.

Personnel and Qualifications

- 8 Has each inspector fulfilled the 3 year TQ training requirement? If No, has the state been granted a waiver regarding TQ courses by the Associate Administrator for Pipeline Safety? (NOTE: If the State has new inspectors who have not attended all TQ courses, but are in a program which will achieve the completion of all applicable courses within 3 years of taking first course (5 years to sucessfully complete), or if a waiver has been granted by the applicable Region Director for the state, please answer yes.) (Chapter 4.4) Previous Question A.10 3 0
Yes = 3 No = 0

SLR Notes:

DPU was requested to verify "Inspector Training" and inform me ASAP. Subsequently DPU indiated that G. LaChance has not successfully completed required corrosion training. Other staff inspectors are ok.

- 9 Brief Description of Non-TQ training Activities: Info Only Info Only
Info Only = No Points
For State Personnel:

For Operators:

For Non-Operator Entities/Parties, Information Dissemination, Public Meetings:

SLR Notes:

- 10 Did the lead inspectors complete all required T&Q OQ courses and Computer Based Training (CBT) before conducting OQ Inspections? (Chapter 4.4.1) Previous Question A.12 1 1
Yes = 1 No = 0

SLR Notes:

- 11 Did the lead inspectors complete all required TQ Integrity Management (IMP) Courses/Seminars and CBT before conducting IMP Inspections? (Chapter 4.4.1) Previous Question A.13 1 NA
Yes = 1 No = 0

SLR Notes:

DPU was asked to recheck Training records to indicate "successful Completion." Subsequently DPU informed me that Lead Inspector had not Successfully Completed required Corrosion course. Inspector has signed up for training course again. DPU was to reassign "Lead IMP" inspection responsibilities to another qualified individual. As of now, No IMP inspections have been performed

- 12 Was the ratio acceptable of Total inspection Person-days to Total Person-days charged to the program by state inspectors? (Region Director may modify points for just cause) (Chapter 4.3) Previous Question B.12 5 5
Yes = 5 No = 0

A. Total Inspection Person Days (Attachment 2):

844.50

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

220 X 8.00 = 1760.00

Ratio: A / B

844.50 / 1760.00 = 0.48

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

Points = 5

SLR Notes:

Total inspection person days ok.

13 Have there been modifications or proposed changes to inspector-staffing levels? (If yes, describe) Previous Info Only Info Only
Question B.13
Info Only = No Points

SLR Notes:

No changes in 2009

14 Part-A General Comments/Regional Observations Info Only Info Only
Info Only = No Points

SLR Notes:

Total points scored for this section: 21
Total possible points for this section: 25



PART B - Inspections and Compliance - Procedures/Records/ Performance

Points(MAX) Score

Inspection Procedures

- | | | | |
|----------|--|--------------------------------------|--|
| 1 | Does the State have a written inspection plan to complete the following? (all types of operators including LNG) (Chapter 5.1) Previous Question B.1 + Chapter 5 Changes + Incorporate LNG
<small>Yes = 6.5 No = 0 Needs Improvement = 50% Deduction</small> | 6.5 | 6.5 |
| a | Standard Inspections (Including LNG) (Max points = 2) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| b | IMP Inspections (Including DIMP) (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| c | OQ Inspections (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| d | Damage Prevention (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| e | On-Site Operator Training (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| f | Construction Inspections (Max points = .5) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| g | Incident/Accident Investigations (Max points = 1) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| h | Compliance Follow-up (Max points = 1) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |

SLR Notes:

- | | | | |
|----------|---|--------------------------------------|--|
| 2 | Did the written Procedures for selecting operators adequately address key concerns? (Chapter 5.1) Previous Question B.2, items a-d are worth .5 point each
<small>Yes = 2 No = 0 Needs Improvement = 50% Deduction</small> | 2 | 2 |
| a | Length of time since last inspection | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| b | History of Operator/unit and/or location (including leakage , incident and compliance history) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| c | Type of activity being undertaken by operator (construction etc) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| d | For large operators, rotation of locations inspected | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |

SLR Notes:

MA DPU's Written Procedures- pp 5.
Distribution System shows inspection timelines. Each Unit- Annually;
LNG Plant- Once Every Two years'
Distribuiton Comprehensive Inspection- Once Every Two years'

Inspection Performance

- | | | | |
|----------|---|---|---|
| 3 | Did the state inspect all types of operators and inspection units in accordance with time intervals established in its written procedures? (Chapter 5.1) Previous Question B.3
<small>Yes = 2 No = 0</small> | 2 | 2 |
|----------|---|---|---|

SLR Notes:

Distribution System shows inspection timelines. Each Unit- Annually;
LNG Plant- Once Every Two years'
Distribuiton Comprehensive Inspection- Once Every Two years'

- | | | | |
|----------|--|---|---|
| 4 | Did the state inspection form cover all applicable code requirements addressed on the Federal Inspection forms? (Chapter 5.1 (3)) Previous Question B.4
<small>Yes = 1 No = 0</small> | 1 | 0 |
|----------|--|---|---|

SLR Notes:

Discussed with DPU for inspection check list/ forms- need to review/ revise for updated code requirements

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|----------|--|---|---|
| 5 | Did state complete all applicable portions of inspection forms? (Chapter 5.1 (3)) Previous Question B.5
<small>Yes = 1 No = 0</small> | 1 | 1 |
|----------|--|---|---|

SLR Notes:

Discussed with DPU need for completion of all applicable portions of each form to document inspection observations.

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|----------|---|----|----|
| 6 | Did the state initiate appropriate follow-up actions to Safety Related Condition Reports? (Chapter 6.3) Previous Question B.6 | .5 | NA |
|----------|---|----|----|

Yes = .5 No = 0

SLR Notes:

No SRC in CY 2009

7	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) Previous Question B.7	.5	.5
	Yes = .5 No = 0		

SLR Notes:

Discussed with DPU need to document and highlight exposed CI review. DPU agreed.

8	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) Previous Question B.8	.5	.5
	Yes = .5 No = 0		

SLR Notes:

Discussed with DPU need to document and highlight CI surveillance and failure review. DPU agreed.

9	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) Previous Question B.9	.5	.5
	Yes = .5 No = 0		

SLR Notes:

10	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? (NTSB) Previous Question B.10	1	1
	Yes = 1 No = 0		

SLR Notes:

DPU inspectors routinely review operator's incident data along with damages to underground utilities.

Compliance - 60105(a) States

11	Did the state adequately document sufficient information on probable violations? (Chapter 5.2) Previous Question B.14	1	1
	Yes = 1 No = 0 Needs Improvement = .5		

SLR Notes:

12	Does the state have written procedures to identify the steps to be taken from the discovery to the resolution of a probable violation as specified in the "Guidelines for State Participating in the Pipeline Safety Program"? (Chapter 5.1) Previous Question D(1).1	1	1
	Yes = 1 No = 0 Needs Improvement = .5		

SLR Notes:

13	Does the state have written procedures to notify an operator when a noncompliance is identified as specified in the "Guidelines for States Participating in the Pipeline Safety Program"? (Chapter 5.1(4)) Previous Question D(1).2	1	1
	Yes = 1 No = 0 Needs Improvement = .5		

SLR Notes:

Per Code of MA Regs 22QCMR69

14	Does the state have a written procedure for routinely reviewing the progress of compliance actions to prevent delays or breakdowns of the enforcement process, as required by the "Guidelines for States Participating in the Pipeline Safety Program"? (Chapter 5.1(5)) Previous Question D(1).3	1	1
	Yes = 1 No = 0 Needs Improvement = .5		

SLR Notes:



15	Has the State issued compliance actions for all probable violations discovered? (Note : PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation) Previous Question D(1).4 Yes = 1 No = 0	1	1
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SLR Notes:

2 Prob Violations weer carried over from previous years and 2 were found duing CY 2009

16	Did the state follow its written procedures for reviewing compliance actions and follow-up to determine that prompt corrective actions were taken by operators, within the time frames established by the procedures and compliance correspondence, as required by the "Guidelines for States Participating in the Pipeline Safety Program"? Previous Question D(1).5 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

17	If compliance could not be established by other means, did state pipeline safety program staff request formal action, such as a "Show Cause Hearing" to correct pipeline safety violations? (check each states enforcement procedures) Previous Question D(1).6 No = 0 Yes = 1	1	1
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SLR Notes:

18	Did the state adequately document the resolution of probable violations? (Chapter 5.1 (6)) Previous Question D(1).7 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

19	Were compliance actions sent to a company officer? (manager or board member if municipal/government system) (Chapter 5.1(4)) Previous Question D(1).8 Yes = .5 No = 0	.5	.5
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SLR Notes:

20	Did the compliance proceedings give reasonable due process to all parties? (check each states enforcement procedures) Previous Question D(1).9 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

Compliance - 60106(a) States

21	Did the state use the current federal inspection form(s)? Previous Question D(2).1 Yes = 1 No = 0 Needs Improvement = .5	1	NA
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SLR Notes:

22	Are results adequately documented demonstrating inspection units were reviewed in accordance with state inspection plan? Previous Question D(2).2 Yes = 1 No = 0 Needs Improvement = .5	1	NA
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SLR Notes:

23	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.) Previous Question D(2).3 Yes = 1 No = 0 Needs Improvement = .5	1	NA
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SLR Notes:

24 Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? Previous Question D(2).4 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

25 Did the state give written notice to PHMSA within 60 days of all probable violations found? Previous Question D(2).5 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

26 Did the state initially submit adequate documentation to support compliance action by PHMSA on probable violations? Previous Question D(2).6 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

27 Part B: General Comments/Regional Observations Info Only NA
Info Only = No Points

SLR Notes:

Total points scored for this section: 23.5
Total possible points for this section: 24.5



PART C - Interstate Agent States

Points(MAX) Score

1 Did the state use the current federal inspection form(s)? Previous Question D(3).1 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

MA is not an Interstate Agent State.

2 Are results documented demonstrating inspection units were reviewed in accordance with "PHMSA directed inspection plan"? Previous Question D(3).2 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

MA is not an Interstate Agent State.

3 Did the state submit documentation of the inspections within 60 days as stated in its latest Interstate Agent Agreement form? Previous Question D(3).3 1 NA
Yes = 1 No = 0

SLR Notes:

MA is not an Interstate Agent State.

4 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.) Previous Question D(3).4 1 NA
Yes = 1 No = 0

SLR Notes:

MA is not an Interstate Agent State.

5 Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? Previous Question D(3).5 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

MA is not an Interstate Agent State.

6 Did the state give written notice to PHMSA within 60 days of all probable violations found? Previous Question D(3).6 1 NA
Yes = 1 No = 0

SLR Notes:

MA is not an Interstate Agent State.

7 Did the state initially submit documentation to support compliance action by PHMSA on probable violations? Previous Question D(3).7 1 NA
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

MA is not an Interstate Agent State.

8 Part C: General Comments/Regional Observations Info Only Info Only
Info Only = No Points

SLR Notes:

MA is not an Interstate Agent State.

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



PART D - Incident Investigations

Points(MAX) Score

1 Are state personnel following the procedures for Federal/State cooperation in case of an incident? (See Appendix in "Guidelines for States Participating in the Pipeline Safety Program") (Chapter 6.1) Previous Question E.1
 Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

2 Are state personnel familiar with the jurisdictional authority and Memorandum of Understanding between NTSB and PHMSA? (See Appendix in "Guidelines for States Participating in the Pipeline Safety Program") (Chapter 6 ? Appendix D) Previous Question E.2
 Yes = .5 No = 0

SLR Notes:

DPU has been familiar with MOU and has worked with PHMSA/NTSB.

3 Did the state keep adequate records of incident notifications received? Previous Question E.3
 Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

4 If an onsite investigation of an incident was not made, did the state obtain sufficient information by other means to determine the facts and support the decision not to go on-site? Previous Question E.4
 Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

5 Were investigations thorough and conclusions and recommendations documented in an acceptable manner? Previous Question E.5, comprehensive question worth 2 points total
 Yes = 2 No = 0 Needs Improvement = 1

a. Observations and Document Review	Yes <input checked="" type="radio"/>	No <input type="radio"/>	Needs Improvement <input type="radio"/>
b. Contributing Factors	Yes <input checked="" type="radio"/>	No <input type="radio"/>	Needs Improvement <input type="radio"/>
c. Recommendations to prevent recurrences where appropriate	Yes <input checked="" type="radio"/>	No <input type="radio"/>	Needs Improvement <input type="radio"/>

SLR Notes:

DPU reported incidents of Jan 25 (Natiopnal Grid) and Feb 19 (NEG)- were still under investigation and not completed. I discussed amd emphasized need for timely resolution of investigation process so all pertinent safety and compliance issues are addressed including necessary remedial actions.

6 Did the state initiate enforcement action for violations found during any incident investigation(s)? Previous Question E.6 Variation
 Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

I discussed amd emphasized need for timely resolution of investigation process so all pertinent safety and compliance issues are addressed including necessary remedial actions

7 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 annual report data from operators concerning incidents/accidents and investigate discrepancies) (Chapter 6) Previous Question E.7/E.8
 Yes = .5 No = 0

SLR Notes:

I discussed amd emphasized need for timely resolution and follow-up so all pertinent safety and compliance issues are addressed including necessary remedial actions.

8 Part D: General Comments/Regional Observations
 Info Only = No Points

Info Only Info Only

SLR Notes:

I discussed amd emphasized need for timely resolution of investigation process so all pertinent safety and compliance issues are addressed including necessary remedial actions.



Total points scored for this section: 6.5
Total possible points for this section: 7



PART E - Damage Prevention Initiatives

Points(MAX) Score

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- | | | | |
|----------|--|---|---|
| 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? Previous Question B.11
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|--|---|---|

SLR Notes:

MA DPU's Dig Safe Manual also emphasizes directional drilling precautions in "Dig with Care"- page 13

- | | | | |
|----------|--|---|---|
| 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? New 2008
Yes = 2 No = 0 | 2 | 2 |
|----------|--|---|---|

SLR Notes:

DPU reviews to assure that operators follow "Dig Safe" requirements.

- | | | | |
|----------|---|---|---|
| 3 | Did the state encourage and promote the adoption of the Common Ground Alliance Best Practices document to its regulated companies as a means of reducing damages to all underground facilities? Previous Question A.7
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

SLR Notes:

MA DPU encourages and promotes CGA/ Best Practices. MA has "Excavator Manual published by Dig safe Systems, Inc.

- | | | | |
|----------|---|---|---|
| 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? New 2008
Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

MA DPU collects and analyzes Dig Safe Data

- | | | | |
|----------|--|---|---|
| 5 | Did the state review operators' records of accidents and failures due to excavation damage to ensure causes of failure are addressed to minimize the possibility of recurrence as required by 192.617?
Yes = 2 No = 0 | 2 | 2 |
|----------|--|---|---|

SLR Notes:

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- | | | | |
|----------|---|-----------|-----------|
| 6 | Part E: General Comments/Regional Observations
Info Only = No Points | Info Only | Info Only |
|----------|---|-----------|-----------|

SLR Notes:

MA DPU has strong Dig safe program.

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



PART F - Field Inspection

Points(MAX) Score

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

Name of Operator Inspected:
 National Grid- Lynn LNG Plant

Name of State Inspector(s) Observed:
 Angel Motley and Jorge Santis

Location of Inspection:
 Lynn,MA

Date of Inspection:
 07/27/2010

Name of PHMSA Representative:
 Dino N.Rathod, P.E.

SLR Notes:

Reviewed Security Upgrades/ Procedures and Selected records

2 Was the operator or operator's representative notified and/or given the opportunity to be present during inspection? New 2008 1 1
Yes = 1 No = 0

SLR Notes:

Met Plant personnel at Lynn LNG

3 Did the inspector use an acceptable inspection form/checklist and was the form/checklist used as a guide for the inspection? (New regulations shall be incorporated) Previous Question F.2 2 2
Yes = 2 No = 0

SLR Notes:

DP inspector used federal LNG inspection form to document inspection observations.

4 Did the inspector thoroughly document results of the inspection? Previous Question F.3 2 2
Yes = 2 No = 0

SLR Notes:

DP inspector used federal LNG inspection form to document inspection observations

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.) New 2008 1 1
Yes = 1 No = 0

SLR Notes:

6 What type of inspection(s) did the state inspector conduct during the field portion of the state evaluation? (i.e. Standard, Construction, IMP, etc) New 2008 Info Only Info Only
Info Only = No Points

SLR Notes:

LNG security review/ status update. Records and procedures review.

7 Did the inspector adequately review the following during the field portion of the state evaluation? (check all that apply on list) New 2008, comprehensive question worth 2 points total 2 2
Yes = 2 No = 0 Needs Improvement = 1

- a. Procedures
- b. Records
- c. Field Activities/Facilities
- d. Other (Please Comment)

SLR Notes:



8 Did the inspector have adequate knowledge of the pipeline safety program and regulations? (Liaison will document reasons if unacceptable) Previous Question F.8 2 2
 Yes = 2 No = 0

SLR Notes:

Angela Motley and Jorge Santis are experienced inspectors- familiar with pipeline safety program and regs.

9 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) Previous Question F.10 1 1
 Yes = 1 No = 0

SLR Notes:

10 During the exit interview, did the inspector identify probable violations found during the inspections? Previous Question F.11 1 NA
 Yes = 1 No = 0

SLR Notes:

No probable violations were found during this field audit of Lynn LNG plant.

11 What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) Info Only Info Only
 Info Only = No Points

SLR Notes:

Operator: National Grid- Lynn LNG Plant
 Inspectors: Angel Motley and Jorge Santis
 Location: Lynn, MA
 DPU inspectors performed a brief review/ status update of Security related issues. Selected procedures and records were reviewed. A brief field walkdown of outer perimeter was conducted. Multiple levels of security is in place. No issues were found.

12 Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) Info Only Info Only
 Info Only = No Points

SLR Notes:

13 Field Observation Areas Observed (check all that apply) 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

SLR Notes:

Lynn, MA LNG Plant

14 Part F: General Comments/Regional Observations

Info Only Info Only

Info Only = No Points

SLR Notes:

Lynn, MA LNG Plant review.

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



PART G - PHMSA Initiatives - Strategic Plan

Points(MAX) Score

Risk base Inspections - Targeting High Risk Areas

- 1** Does state have process to identify high risk inspection units? 1.5 1.5
Yes = 1.5 No = 0
Risk Factors (criteria) to consider may include:
Miles of HCA's, Geographic area, Population Density
Length of time since last inspection
History of Individual Operator units (leakage, incident and compliance history, etc.)
Threats - (Excavation Damage, Corrosion, Natural Forces, Other Outside Forces, Material or Welds, Equipment, Operations, Other)

SLR Notes:

MA DPU has 4 intrastate transmission pipelines
Bay State Gas- 1 mile
MMWEC- 5.6 miles
NG6.44 Boston miles
NG Lowell- 6.79 miles
NSTAR 1 mile
Total IMP mileage= 21.85

- 2** Are inspection units broken down appropriately? (see definitions in Guidelines) .5 0.5
Yes = .5 No = 0

SLR Notes:

- 3** Consideration of operators DIMP Plan? (if available and pending rulemaking) Info Only Info Only
Info Only = No Points

SLR Notes:

MA DPU works closely with jurisdictional operators and many stakeholders for DIMP implementation considerations in MA.

- 4** Does state inspection process target high risk areas? .5 0.5
Yes = .5 No = 0

SLR Notes:

DPU assigns multiple inspectors to large distribution system operators. Typically these operators are located in/ near populated areas

Use of Data to Help Drive Program Priority and Inspections

- 5** Does state use data to analyze effectiveness of damage prevention efforts in the state? (DIRT or other data, etc) .5 0.5
Yes = .5 No = 0

SLR Notes:

DPU analyzes damage data and shares with many stakeholders. DPU has a strong and mature damage prevention program. DPU receives damage related data from utilities, excavators.

- 6** Has state reviewed data on Operator Annual reports for accuracy? .5 0.5
Yes = .5 No = 0

SLR Notes:

DPU receives and reviews DOT annual reports and works closely with PHMSA.

- 7** Has state analyzed annual report data for trends and operator issues? .5 0.5
Yes = .5 No = 0

SLR Notes:

DPU reviews annual report data for possible trends and pipeline safety related issues.

- 8** Has state reviewed data on Incident/Accident reports for accuracy? .5 0.5

Yes = .5 No = 0

SLR Notes:

DPU reviews incident data for accuracy. I also emphasized need for Complete, Accurate and Consistent data. DPU review to assure that receipt 30-day Incident Report /Supplemental/ Final Reports, as necessary.

9 Does state do evaluation of effectiveness of program based on data? (i.e. performance measures, trends, etc.) .5 0.5

Yes = .5 No = 0

SLR Notes:

DPU reviewed 5-years gas incidents and prepared a report to MA Governor. In addition, safety and security inspections conducted at jurisdictional LNG facilities during the period August 25, 2006 through September 16, 2006

10 Did the State input all operator qualification inspection results into web based database provided by PHMSA in a timely manner upon completion of OQ inspections? Previous Question B.15 .5 0.5

Yes = .5 No = 0

SLR Notes:

MA DPU six (6) OQ inspection in Cy 2009. I discussed and emphasized need for more OQ inspections. DPU agreed for 2010 and beyond.

11 Did the State submit their replies into the Integrity Management Database (IMDB) in response to the Operators notifications for their integrity management program? Previous Question B.16 .5 NA

Yes = .5 No = 0

SLR Notes:

None

12 Have the IMP Federal Protocol forms been uploaded to the IMDB? Previous Question B.17 .5 0

Yes = .5 No = 0

SLR Notes:

No IMP inspection were performed in CY 2009. DPU staff performed IMP inspections in CY 2007. In CY 2008 Berkshire Gas was cited for inadequate IMP Plans.

13 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? Previous Question B.18 .5 0.5

Yes = .5 No = 0

SLR Notes:

DPU requires operators to identify pipe materials and component defects, if any.

14 Has state confirmed transmission operators have submitted information into National Pipeline Mapping System (NPMS) database along with any changes made after original submission? .5 0

Yes = .5 No = 0

SLR Notes:

None

Accident/Incident Investigation Learning and Sharing Lessons Learned

15 Has state shared lessons learned from incidents/accidents? (i.e. NAPS meetings and communications) .5 0.5

Yes = .5 No = 0

SLR Notes:

DPU made presentation at NAPS Eastern Region mtg and annual NEPSR mtg

16 Does the State support data gathering efforts concerning accidents? (Frequency/Consequence/etc) .5 0.5

Yes = .5 No = 0

SLR Notes:

DPU works closely with PHMSA for data gathering efforts etc.

17 Does state have incident/accident criteria for conducting root cause analysis? Info Only Info Only

Info Only = No Points



SLR Notes:

18	Does state conduct root cause analysis on incidents/accidents in state? Info Only = No Points	Info Only	Info Only
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SLR Notes:

19	Has state participated on root cause analysis training? (can also be on wait list) Yes = .5 No = 0	.5	0.5
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SLR Notes:

C. Bourne - scheduled June 2011

Transparency - Communication with Stakeholders

20	Other than pipeline safety seminar does State communicate with stakeholders? (Communicate program data, pub awareness, etc.) Yes = .5 No = 0	.5	0.5
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SLR Notes:

www.mass.gov/dpu
Example: Hopkinton Incident Report June 2002; Joint Report for LNG Security to MA Governor Sept 2006.

21	Does state share enforcement data with public? (Website, newsletters, docket access, etc.) Yes = .5 No = 0	.5	0.5
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SLR Notes:

Ma State website- <http://db.state.ma.us> It allows search by various categories. Enforcement data available to public based on Specific Request for Information (FOIA); Dig dafé;
Docket # example: 05-36 for N Star.

22	Part G: General Comments/Regional Observations Info Only = No Points	Info Only	Info Only
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SLR Notes:

Total points scored for this section: 8.5
Total possible points for this section: 9.5



PART H - Miscellaneous

Points(MAX) Score

- 1** What were the major accomplishments for the year being evaluated? (Describe the accomplishments, NAPSR Activities and Participation, etc.) .5 0.5
Yes = .5 No = 0

SLR Notes:

- 1 DPU completed Incident Investigation of Maynard ?groton(2008)
- 2 C Bourne participated in NFPA 59A Committee.
- 3. DPU will work with Gas company, City and Sewer contractor in Chicopee Cohanset Sewer System. This is intened to damage prevention efforts to reduce number of breaks in gas line

- 2** What legislative or program initiatives are taking place/planned in the state, past, present, and future? (Describe initiatives (i.e. damage prevention, jurisdiction/authority, compliance/administrative, etc.) .5 0.5
Yes = .5 No = 0

SLR Notes:

- 1. DPU has strong enforcement for pipeline safety and Dig safe violations
- 2. MA continues pipe replacement of cast iron and bare steel pipes. However, large amount of old pipes still exist (over 4,180 miles of CI and 3,470 miles of bare steel.

- 3** Any Risk Reduction Accomplishments/Projects? (i.e. Cast iron replacement projects,bare steel,third-party damage reductions, etc.) .5 0.5
Yes = .5 No = 0

SLR Notes:

On-going Cast Iron and Bare Steel replacement with 63 miles of CI and 74 miles of bare steel replaced

- 4** Did the state participate in/respond to surveys or information requests from NAPSR or PHMSA? 1 1
Yes = 1 No = 0

SLR Notes:

DPU partiapted in NAPSR surveys and PHMSA initiatives/ requests

- 5** Sharing Best Practices with Other States - (General Program) .5 0.5
Yes = .5 No = 0

SLR Notes:

DPU shared at NAPSR ER mtg.

- 6** Part H: General Comments/Regional Observations Info Only Info Only
Info Only = No Points

SLR Notes:

Total points scored for this section: 3
Total possible points for this section: 3



PART I - Program Initiatives

Points(MAX) Score

Drug and Alcohol Testing (49 CFR Part 199)

- | | | | |
|----------|---|---|---|
| 1 | Has the state verified that operators have drug and alcohol testing programs?
Yes = 1 No = 0 | 1 | 0 |
|----------|---|---|---|

SLR Notes:

DPU indicated that no D&A inspections were performed in CY 2009

- | | | | |
|----------|--|----|---|
| 2 | Is the state verifying that operators are conducting the drug and alcohol tests required by the operators program (random, post-incident, etc.)
Yes = .5 No = 0 | .5 | 0 |
|----------|--|----|---|

SLR Notes:

DPU indicated that no D&A inspections were performed in CY 2009

- | | | | |
|----------|---|----|---|
| 3 | Is the state verifying that any positive tests are responded to in accordance with the operator's program?
Yes = .5 No = 0 | .5 | 0 |
|----------|---|----|---|

SLR Notes:

DPU indicated that no D&A inspections were performed in CY 2009

Qualification of Pipeline Personnel (49 CFR Part 192 Subpart N)

- | | | | |
|----------|---|---|---|
| 4 | Has the state verified that operators have a written qualification program?
Yes = 1 No = 0 | 1 | 0 |
|----------|---|---|---|

SLR Notes:

Certification Attachment 2 indicated that No OQ Plan reviews were performed.

- | | | | |
|----------|--|----|-----|
| 5 | Has the state reviewed operator qualification programs for compliance with PHMSA rules and protocols?
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

DPU performed 6 OQ field verification inspections. DPU used federal OQ protocols

- | | | | |
|----------|--|----|-----|
| 6 | Is the state verifying that persons who perform covered tasks for the operator are qualified in accordance with the operator's program?
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

DPU performed 6 OQ field verification inspections. DPU used federal OQ protocols

- | | | | |
|----------|--|----|-----|
| 7 | Is the state verifying that persons who perform covered task for the operator are requalified at the intervals specified in the operator's program?
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

DPU performed 6 OQ field verification inspections. DPU used federal OQ protocols

Gas Transmission Pipeline Integrity Management (49 CFR Part 192 Subpart O)

- | | | | |
|----------|--|---|---|
| 8 | Has the state verified that all operators with transmission pipelines have either adopted an integrity management program (IMP), or have properly determined that one is not required?
Yes = 1 No = 0 | 1 | 1 |
|----------|--|---|---|

SLR Notes:

CY 2007- DPU conducted IMP inspection; In Cy 2008- DPU cited Berkshire Gas for lack of IMP Plans. I discussed with DPU need for IMP inspection of intrastate distribution transmission pipelines. DPU intends to conduct at least one IMP inspection for CY 2010.

- | | | | |
|----------|--|----|-----|
| 9 | Has the state verified that in determining whether a plan is required, the operator correctly calculated the potential impact radii and properly applied the definition of a high consequence area?
Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

10	Has the state reviewed operator IMPs for compliance with Subpart O? (In accordance with State Inspection plan) Yes = .5 No = 0	.5	0.5
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SLR Notes:

DPU performed IMP inspection in Cy 2007, I discussed with DPU need for IMP inspection of intrastate distribution transmission pipelines. DPU intends to conduct at least one IMP inspection for CY 2010

11	Is the state monitoring operator progress on the inspections, tests and remedial actions required by the operator's IMP, including that they are being done in the manner and schedule called for in its IMP? Yes = .5 No = 0	.5	0.5
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SLR Notes:

Bay state Gas performed Pressure Test in 2009.

12	Is the state verifying that operators are periodically examining their transmission line routes for the appearance of new HCAs? Yes = .5 No = 0	.5	0.5
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SLR Notes:

Public Awareness (49 CFR Section 192.616)

13	Has the state verified that each operator has developed a continuing public awareness program? (due date was 6/20/06 for most operators, 6/20/07 for certain very small operators, 6/13/08 for master meters) Yes = .5 No = 0	.5	0.5
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SLR Notes:

DPU has previously verified reviews conducted by Clearinghouse.

14	Has the state reviewed the content of these programs for compliance with 192.616 (by participating in the Clearinghouse or by other means)? Yes = .5 No = 0	.5	0.5
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SLR Notes:

DPU reviewed as a part of routine operator inspection. Reviewed Procedures and records and observed activities/

15	Is the state verifying that operators are conducting the public awareness activities called for in its program? Yes = .5 No = 0	.5	0.5
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SLR Notes:

DPU reviewed as a part of routine operator inspection. Reviewed Procedures and records and observed activities/

16	Is the state verifying that operators have evaluated their Public Awareness programs for effectiveness as described in RP1162? Info Only = No Points	Info Only	Info Only
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SLR Notes:

DPU reviewed as a part of routine operator inspection. Reviewed Procedures and records and observed activities/

17	Part I: General Comments/Regional Observations Info Only = No Points	Info Only	Info Only
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SLR Notes:

DPU reviewed as a part of routine operator inspection. Reviewed Procedures and records and observed activities/

Total points scored for this section: 6
Total possible points for this section: 9

