1200 New Jersey Avenue SE
Washington DC 20590

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

2010 Natural Gas State Program Evaluation

for

VERMONT DEPARTMENT OF PUBLIC SERVICE

Document Legend
PART:

- O -- Representative Date and Title Information
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- C -- Interstate Agent States
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2010 Natural Gas State Program Evaluation -- CY 2010

Natural Gas

State Agency: Vermont
Rating:
Agency Status:
60105(a): Yes **60106(a):** No **Interstate Agent:** No
Date of Visit: 09/12/2011 - 09/16/2011
Agency Representative: Hans E. Mertens, Director of Engineering & G.C. Morris, Gas Engineer
PHMSA Representative: Patrick Gaume
Commission Chairman to whom follow up letter is to be sent:

Name/Title: Honorable Elizabeth H. Miller, Commissioner
Agency: Vermont Department of Public Service
Address: 112 State Street
City/State/Zip: Montpelier, Vermont 05620-2601

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 2010 (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 then 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	26	26
B	Inspections and Compliance - Procedures/Records/Performance	23.5	19.5
C	Interstate Agent States	0	0
D	Incident Investigations	3.5	3.5
E	Damage Prevention Initiatives	9	9
F	Field Inspection	12	12
G	PHMSA Initiatives - Strategic Plan	7	7
H	Miscellaneous	3	3
I	Program Initiatives	9	8.5
TOTALS		**93**	**88.5**
State Rating			**95.2**

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	8

a.	State Jurisdiction and agent status over gas facilities (1)	☒
b.	Total state inspection activity (2)	☒
c.	Gas facilities subject to state safety jurisdiction (3)	☒
d.	Gas pipeline incidents (4)	☒
e.	State compliance actions (5)	☒
f.	State record maintenance and reporting (6)	☒
g.	State employees directly involved in the gas pipeline safety program (7)	☒
h.	State compliance with Federal requirements (8)	☒

SLR Notes:

A.1 Yes, 8 of 8 pts. 88 insp days, 1.00 my, items a-h all okay.

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

SLR Notes:

A.2 Yes, see Gas Pipeline Safety Program-Inspection Procedures (SOP) Chapter 6, pg 12, 'initial notification'. Recommendation (2nd year): add a pipeline information sheet onto the DPS web site to provide general and emergency telephone numbers, addresses, and contacts. Include other information that is currently being provided by 'VGM.9001Gas Leak notification and reporting requirements' that G.C. currently mails to operators.

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

SLR Notes:

A.3 Yes, It is a Regional Pipeline Safety Seminar that is held every year, and is called the New England Pipeline Safety Representatives (NEPSR/TQ) Pipeline Safety Seminar. TQ participates every year. Recent dates are/were; 10/26-27/2011, 10/19-20/2010, 10/21-22/2009, 10/15-16/2008. Benefits are a larger attendance base, improved presentations, and exchange of ideas. It is well supported by operators and they support an annual format. NEPAR members include; CT, MA, ME, NH, RI, & VT.

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

SLR Notes:

A.4 Yes, the files are in a file cabinet in G.C. Morris' office, or stored electronically on Department servers.

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

SLR Notes:

A.5 Yes, Hans and G.C. have a professional knowledge of the 49 CFR 190-194 regulations.

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

SLR Notes:

A.6 Yes, had a 2/2/2011 response on a letter dated 12/3/2010.

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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

Yes = 1 No = 0

1 1

SLR Notes:

A.7 Yes, the Eastern Region helped G.C. to better understand a full comprehensive Standard Inspection; and GIMP is being addressed and G.C. is receiving his training.

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

Yes = 3 No = 0

3 3

SLR Notes:

A.8 Yes, both Hans and G.C. are trained. They are on track for the new HAZWOPR Training. G.C. has submitted the syllabus of a local HAZWOPER trainer to TQ and is waiting on TQ to indicate if the syllabus is acceptable.

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9 Brief Description of Non-TQ training Activities:

Info Only = No Points

Info Only Info Only

For State Personnel:

A.9 info only. State personnel- No special training in 2010.

For Operators:
Operators- DPS is co-sponsoring yearly Pipeline Safety Seminars, as a member of NEPSR, which is more frequent than the required 3 years.

For Non-Operator Entities/Parties, Information Dissemination, Public Meetings:
Non-Operator- Continued to use the SDPP Grant to outreach to municipalities, builders, and home owners. Venues included mail outs, brochures and give-aways at the Home shows and at the Water Department convention, A One Call conference call to municipalities to instruct about One Call membership and invite their participation.

SLR Notes:

A.9 info only. State personnel- No special training in 2010.
Operators- DPS is co-sponsoring yearly Pipeline Safety Seminars, as a member of NEPSR, which is more frequent than the required 3 years.
Non-Operator- Continued to use the SDPP Grant to outreach to municipalities, builders, and home owners. Venues included mail outs, brochures and give-aways at the Home shows and at the Water Department convention, A One Call conference call to municipalities to instruct about One Call membership and invite their participation.

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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

Yes = 1 No = 0

1 1

SLR Notes:

A.10 Yes, G.C. Morris was trained in 12/2003 & Hans E. Mertens was trained in 2/2005. Course PL3OQ, (formerly 299).

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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

Yes = 1 No = 0

1 1

SLR Notes:

A.11 Yes, 1 point. Hans E. Mertens was trained in PL1297 5/05 (incomplete), PL3293 9/07, PL3254 2/03, & PL3292 12/04. G.C. Morris was trained in PL1297 5/05 & 1/11 (incomplete), PL3293 5/05, PL3254 3/06, & PL3292 6/04.

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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

Yes = 5 No = 0

5 5

A. Total Inspection Person Days (Attachment 2):
88.00

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 1.00 = 220.00

Ratio: A / B
88.00 / 220.00 = 0.40

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

Points = 5

SLR Notes:

A.12- Yes. a- '10 total inspection days 88.
b- person days '10 is 1.00*220=220 days.
c-score=A/B '10 score=88/220=.400. .400 is greater than .38. Okay.

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13 Have there been modifications or proposed changes to inspector-staffing levels? (If yes, describe) Previous Question B.13 — Info Only — Info Only

Info Only = No Points

SLR Notes:

A.13. ? Staffing levels have remained the same with one trained inspector and the supervisor is also fully trained. A worthily related note is the hiring of an experienced engineer, in 4th qtr. 2010, who has assumed the management of the underground damage prevention program.

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14 Part-A General Comments/Regional Observations — Info Only — Info Only

Info Only = No Points

SLR Notes:

A.14 The Vermont DPS currently sponsors various informational efforts to disseminate damage prevention and gas safety information to industry, commercial, and domestic entities. Regular activities include periodic damage prevention seminars and participation in yearly gas safety seminars for New England natural gas and propane business entities. The DPS also supports continuing training and certification for the Gas Pipeline Program staff to maintain expertise and professionalism related to this important public safety issue. The VT Managing Underground Safety Training (M.U.S.T.) organization (represents stakeholders from many entities in the excavation and construction industry) was heavily influenced by DPS and became the first regional entity in New England that achieved CGA liaison status. In addition, VT participates with the other New England states and annually conducts a region wide pipeline safety seminar. The DPS will continue to seek out and participate in opportunities to increase competency and credibility for the program personnel.

Total points scored for this section: 26

Total possible points for this section: 26

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 — 6.5 — 6.5

Yes = 6.5 No = 0 Needs Improvement = 50% Deduction

a	Standard Inspections (Including LNG) (Max points = 2)	Yes ◉	No ○	Needs Improvement ○
b	IMP Inspections (Including DIMP) (Max points = .5)	Yes ◉	No ○	Needs Improvement ○
c	OQ Inspections (Max points = .5)	Yes ◉	No ○	Needs Improvement ○
d	Damage Prevention (Max points = .5)	Yes ◉	No ○	Needs Improvement ○
e	On-Site Operator Training (Max points = .5)	Yes ◉	No ○	Needs Improvement ○
f	Construction Inspections (Max points = .5)	Yes ◉	No ○	Needs Improvement ○
g	Incident/Accident Investigations (Max points = 1)	Yes ◉	No ○	Needs Improvement ○
h	Compliance Follow-up (Max points = 1)	Yes ◉	No ○	Needs Improvement ○

SLR Notes:

B.1. Yes a-- SOP 4.B, b-- SOP 4.B, c-- SOP 4.B, d-- SOP 4.B part of the Std Insp for 2010. e-- SOP 4.B - is opportunistically conducted during Std Insp and construction notifications and insp as available. Also the annual Pipeline Safety Seminars f-- SOP 4.B g-- SOP 4.B h-- SOP 4.B.

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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 — 2 — 2

Yes = 2 No = 0 Needs Improvement = 50% Deduction

a	Length of time since last inspection	Yes ◉	No ○	Needs Improvement ○
b	History of Operator/unit and/or location (including leakage , incident and compliance history)	Yes ◉	No ○	Needs Improvement ○
c	Type of activity being undertaken by operator (construction etc)	Yes ◉	No ○	Needs Improvement ○
d	For large operators, rotation of locations inspected	Yes ◉	No ○	Needs Improvement ○

SLR Notes:

B.2 Yes, see SOP 4.A.

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 — 2 — 0

Yes = 2 No = 0

SLR Notes:

B.3 No, through 2010 the Transmission operator has not been GIMP inspected. The OQ program inspections were originally done in 2003 and 2005 and are now due for re-inspection. I strongly recommend that GIMP, DIMP, and OQ inspections & re-inspections be addressed in detail in your operations manual as ALL of them are technically DUE right now. Also, the Public Awareness Program Effectiveness Evaluation (PAPEE) inspections need to be scheduled and started. Standard Inspections are okay with their 5 year interval.

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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 — 1 — 1

Yes = 1 No = 0

SLR Notes:

B.4 Yes, Vermont uses the federal forms, but only addresses one or two subjects per inspection, 'what can be accomplished in an inspection day'.

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5 Did state complete all applicable portions of inspection forms? (Chapter 5.1 (3)) Previous Question B.5 — 1 — 0

Yes = 1 No = 0

SLR Notes:

B.5 No. A review of the files shows that not all inspection portions have been done in the last five years. There was a discussion on how the Feds and other State partners achieve fully filling out the federal inspection forms during the October, 2010 review of the 2009 calendar year work. Training in this area was provided by the Eastern Region, PHMSA in early 2011. It is anticipated that most of the 2011 Standard Inspections will be complete.

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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:

B.6 NA no SRCR in 2009 or 2010.

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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 — NA

Yes = .5 No = 0

SLR Notes:

B.7- NA no cast iron in Vermont since ca. 2004.

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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 — NA

Yes = .5 No = 0

SLR Notes:

B.8- NA no cast iron in Vermont since ca. 2004.

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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:

B.9- Yes, this question has been placed on an addendum sheet. The addendum sheet was attached to Standard Inspections starting in 2011.

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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:

B.10 ? Yes, by reviewing the operator's annual reports and then asking the operators to explain how they are analyzing their information to improve their Damage Prevention program. This is also tied into One-Call reviews. VT was successful in securing a comprehensive $100K Damage Prevention Program Grant which performed a GAP analysis of the 9 elements. Results showed a path to improve all 9 elements to industry best practices. It also made recommendations for program enhancements.

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:

B.11 Yes. Practice is to have written and photo documentation even on the follow up of the corrections. The information is kept in multiple files; the Inspection file, the Warning file which includes the evidence, the violation letter, and the initial response; and if necessary, the NOPV file which opens a legal Public Service Board proceeding and the ultimate final order.

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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:

B.12 Yes, see SOP Section 5, and the Public Service Board Rule (PSBR) 6.100.

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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:

B.13 Yes, see SOP Section 5, and the Public Service Board Rule (PSBR) 6.100.

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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:

B.14 Yes, see SOP Section 5, and the Public Service Board Rule (PSBR) 6.100.

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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 — 1 — 0

Yes = 1 No = 0

SLR Notes:

B.15 No, problems found, 0 pts. At the time of the evaluation the 5 corrected PV records could not be found. Some of the 28 pending corrections appear to be insufficiently documented in the files. It is observed that staff with Library Science skills could be asked to help improve the files.

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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 — 1 — 1

Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.16 Yes. The operators have been contacted per procedures. The problems of missing documentation and files were addressed in question B.15.

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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 — 1 — 1

No = 0 Yes = 1

SLR Notes:

B.17 Yes, no formal actions are pending at this time. One action from 2008 finished the formal action process during 2010. It is an available process, but is rarely needed. Most Operators are cooperative. Even fines are seldom necessary. See SOP Section 5, and the Public Service Board Rule (PSBR) 6.100.

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18 Did the state adequately document the resolution of probable violations? (Chapter 5.1 (6)) Previous Question D(1).7 — 1 — 1

Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.18 Yes, most actions remain informal and are closed informally. The formal process is occasionally necessary to achieve compliance. See SOP Section 5, and the Public Service Board Rule (PSBR) 6.100.

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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 — .5 — .5

Yes = .5 No = 0

SLR Notes:

B.19 Yes. The practice is established and Procedures are in place, see SOP 5.A.

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20 Did the compliance proceedings give reasonable due process to all parties? (check each states enforcement procedures) Previous Question D(1).9 — 1 — 1

Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.20 Yes. See SOP Section 5, and the Public Service Board Rule (PSBR) 6.100.

Compliance - 60106(a) States

21 Did the state use the current federal inspection form(s)? Previous Question D(2).1 — 1 — NA

Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.21 ? B.26 NA. Vermont is a 60105(a) program.

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22 Are results adequately documented demonstrating inspection units were reviewed in accordance with state inspection plan? Previous Question D(2).2 — 1 — NA

Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.21 ? B.26 NA. Vermont is a 60105(a) program.

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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 — 1 — NA

Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

B.21 ? B.26 NA. Vermont is a 60105(a) program.

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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:

B.21 ? B.26 NA. Vermont is a 60105(a) program.

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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:

B.21 ? B.26 NA. Vermont is a 60105(a) program.

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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:

B.21 ? B.26 NA. Vermont is a 60105(a) program.

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27 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) — Info Only — Info Only

Info Only = No Points

SLR Notes:

B.27 Yes, He is aware of VT's process and its limitations.

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28 Part B: General Comments/Regional Observations — Info Only — Info Only

Info Only = No Points

SLR Notes:

B.28 The Department of Public Service recognizes that both informal allegations issued by the Gas Pipeline Safety Program staff and formal compliance actions, coupled with the legal proceedings via the Public Service Board have been effective mechanisms to attain compliance with the State and Federal Gas Safety codes. Increased use and authority for issuing fines would be an enhancement. The authority to issue fines is not currently vested in the Pipeline Safety Dept.

Total points scored for this section: 19.5

Total possible points for this section: 23.5

PART C - Interstate Agent States

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

SLR Notes:

C.1 ? C.8. NA. Not an Interstate Agent.

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

SLR Notes:

C.1 ? C.8. 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? Previous Question D(3).3 Yes = 1 No = 0	1	NA

SLR Notes:

C.1 ? C.8. NA. Not an Interstate Agent.

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 Yes = 1 No = 0	1	NA

SLR Notes:

C.1 ? C.8. 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? Previous Question D(3).5 Yes = 1 No = 0 Needs Improvement = .5	1	NA

SLR Notes:

C.1 ? C.8. NA. Not an Interstate Agent.

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

SLR Notes:

C.1 ? C.8. NA. Not an Interstate Agent.

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

SLR Notes:

C.1 ? C.8. NA. Not an Interstate Agent.

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

SLR Notes:

C.1 ? C.8. NA. Not an Interstate Agent.

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	1	1

SLR Notes:

D.1 Yes, 'Appendix E ? Federal/State Cooperation in Case of an Incident/Accident' is being followed. Also the new proposed Federal Incident form is being studied. Also see SOP 6.D.

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	.5	.5

SLR Notes:

D.2 Yes, the State has a good understanding of the MOU between NTSB and DOT (PHMSA). Also see SOP 6.

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

SLR Notes:

D.3 YES, All incidents are investigated and a report is made. (no reportable incidents in '09 or '10.)

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	1	1

SLR Notes:

D.4 Yes, see SOP 6. Sufficient information is determined through telephonic contact, the State Underground Facility Damage Report, and the DPS version of the Federal Incident Form.

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	2	NA

a.	Observations and Document Review	Yes ◯	No ◯	Needs Improvement ◯
b.	Contributing Factors	Yes ◯	No ◯	Needs Improvement ◯
c.	Recommendations to prevent recurrences where appropriate	Yes ◯	No ◯	Needs Improvement ◯

SLR Notes:

D.5 NA there were no federally reportable incidents in 2009 or 2010.

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	1	NA

SLR Notes:

D.6 NA there were no federally reportable incidents in 2009 or 2010. Procedures are in place, see SOP 6.

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	.5	NA

SLR Notes:

D.7 NA there were no federally reportable incidents in 2009 or 2010, neither interstate nor intrastate. DPS and the Eastern Region have a good association and have worked together in the past.

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

SLR Notes:

D.8 The Department of Public Service regularly performs outreach and education to gas operators to inform these companies of the requirement to promptly

report gas leak events and other incidents with could cause concern to the community to both the Public Service Board and the Department of Public Service. The Department also appreciates the continual exchange of topical incident information, both regional and locally.

Total points scored for this section: 3.5
Total possible points for this section: 3.5

PART E - Damage Prevention Initiatives

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

SLR Notes:

E.1 Yes, DPS has created an addendum sheet and placed this question on it. The addendum sheet is attached to Standard Inspections.

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:

E.2 Yes, it is in the Std Insp Form, under Damage Prevention, and is on the Construction Inspection Form.

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:

E.3 Yes. The DPS strongly encourages all regulated companies, excavators, and all underground utilities to be members of MUST and CGA. CGA membership is not mandatory. All regulated companies are also encouraged to follow CGA best practices. DPS requires DIRT designated reporting from operators and they upload the information into the national DIRT database. Work is in process to develop a virtual DIRT where operators upload reports directly into DIRT and DIRT transmits a report to DPS.

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:

E.4 Needs Improvement but credit awarded: The VT Damage Prevention Statute identifies 'companies' in a way that neither includes propane distribution operators nor excavators. Therefore, neither propane distribution operators nor excavators are required to report line hits to VT DPS or One-Call. This problem makes it likely that line hits are being under reported. DPS divides the line hits it is aware of and divides them by the call counts that are downloaded from One-Call. Hits per thousand calls is then calculated.

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:

E.5 Yes, all hits must be reported to DPS. Operators are queried during Unit inspections.

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

SLR Notes:

E.6 The DPS has continually improved its Damage prevention Program for over 20 years. It regularly administers damage prevention training to a wide variety of entities involved with underground facilities, design, planning and excavation. The Department has received an SDPP grant which is currently addressing further program improvements related to the 9 elements, communications, technology, education. These initiatives are expected to continue a trend of lower damage incidents in Vermont.

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:
Intergy dba Pyrofax Energy

Name of State Inspector(s) Observed:
G.C. Morris

Location of Inspection:
Rt 100, Waterbury Ctr, VT

Date of Inspection:
September 13, 2011

Name of PHMSA Representative:
Patrick Gaume

SLR Notes:

Intergy contacts; Kim Brill, Compliance Officer; Kelly Chase, Tech; Gordon Waterhouse, Tech.
Also inspected Vermont Gas Systems, Inc, opid 21190, G.C. Morris, Hinesburg, VT, September 14, 2011, Patrick Gaume. Vermont Gas Systems contacts; Chris LeForce, Engineering supervisor; Kristi Oxholm, Compliance Coordinator; Steve Miner, Operations Manager; Lee Brown, Maintenance Supervisor; & a NE Underground crew of 5.

---

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:

F.2 Yes, both Operators were notified in advance and they each had several personnel participating in the inspections.

---

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:

F.3 Yes, PHMSA (OQ) Field Inspection Form 15 and the VT Checklist: Propane Pipeline System Facilities. For VGS- PHMSA Form 15 & the VT Checklist: Plastic Pipeline Construction.

---

4 Did the inspector thoroughly document results of the inspection? Previous Question F.3 — 2 | 2

Yes = 2 No = 0

SLR Notes:

F.4 Yes, The OQ Field Inspections were thoroughly documented.

---

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:

F.5 Yes, half cell, multimeter, hand tools, water, OQ documentation & procedure sheets. For VGS- Contractors equipment, OQ task forms for 'Operator excavation and backfilling in vicinity of Pipeline' & 'Locator wire', line locate equipment, components for 'locate wire' installation, clean sand, & clean limestone gravel.

---

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:

F.6 OQ field inspection of 'Monitor Corrosion Control Methods' and 'Maintain Key Valves', also a site inspection of all regulated equipment. For VGS- OQ field inspection of 'Operator excavation and backfilling in vicinity of Pipeline' & 'Locator wire', and a construction site inspection of tracer wire installation, proving, and backfilling.

---

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:

F.7 Yes, (OQ of four tasks & field activities at two sites & two operators) These were scheduled OQ reviews.

---

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:

F.8. Yes, G. C. showed adequate knowledge of the pipeline safety program goals and regulations.

---

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:

F.9. Yes, it was conducted verbally at the end of day, The VGS review was at the end of day in their Area office.

---

10 During the exit interview, did the inspector identify probable violations found during the inspections? Previous Question F.11 — 1 — 1

Yes = 1 No = 0

SLR Notes:

F.10. Yes, discussed better field schematics concerning equipment, valves, and key valves; better documentation for proving instrument calibrations, and anodeless riser air-soil interface requirements. For VGS- the OQ Field Verification Forms for the covered tasks were not available on-site even after advance notification. Steps that are necessary for completing and testing the project are missing from the O&M procedures. Procedures lacked detail concerning a necessary component assembly, and were silent concerning final testing of the completed installation.

---

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:

F.11 site safety, physical condition of facilities, atmospheric corrosion, vehicle safety barriers, the need to discourage smoking on top of the tanks, CP test sites and documentation, above ground pipe, meters, connections, and valves, anode connection to the tanks, CP tests, valve identification, air-soil interface, meter clearance, pipe supports, inspection process for under-deck piping, determination of end of jurisdiction.

---

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:

F.12 We observed an area of concern that some operators are afraid to add detail to their O&M for fear of increased litigation risk. Also there is confusion over extent of pipeline facilities jurisdiction between the States. We observed that after 8 years VGS does not have procedures or documentation to properly field test covered tasks.

---

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:

F.13 Yes, site safety, physical condition of facilities, atmospheric corrosion, vehicle safety barriers, the need to discourage smoking on top of the tanks, CP test sites and documentation, above ground pipe, meters, connections, and valves, anode connection to the tanks, CP tests, valve identification, air-soil interface, meter clearance, pipe supports, inspection process for under-deck piping, determination of end of jurisdiction. For VGS- install valve box, install tracer wire box, install & test tracer wire, backfilling, located tracer wire and proved continuity of the wire,
Checked items; b, i, g, l, m, q, s, w, z, D, G, I, For VGS- b, i, k, p, q, s, w, G.

---

14 Part F: General Comments/Regional Observations — Info Only Info Only

Info Only = No Points

SLR Notes:

F.14 On September 13, 2011, Mr. G. C. Morris performed an OQ Field Inspection of a propane gas system Operated by Inergy dba Pyrofax Energy at Waterbury Ctr, VT. The Operator was very cooperative and Mr. Morris conducted himself in a courteous, competent, and professional manner. On September 14, 2011, Mr. G. C. Morris performed an OQ Field Inspection and construction site inspection of VGS, a local distribution company. The Operator allowed access to the site and Mr. Morris conducted himself in a courteous, competent, and professional manner.

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

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:

G.1 Yes, risk factors include; size of the LDC, population within the LDC, leak, incident, and compliance histories, and time. The six largest Units are reviewed every year as they always have shown to be the highest risk and highest consequence Units.

---

2 Are inspection units broken down appropriately? (see definitions in Guidelines) — .5 — 0.5

Yes = .5 No = 0

SLR Notes:

G.2 Yes, Units are mostly determined by location and local management.

---

3 Consideration of operators DIMP Plan? (if available and pending rulemaking) — Info Only — Info Only

Info Only = No Points

SLR Notes:

G.3 Yes, DPS is aware of the published DIMP Rule and will implement the DIMP inspections per the federal guidelines. Hans & GC have completed the DIMP Class.

---

4 Does state inspection process target high risk areas? — .5 — 0.5

Yes = .5 No = 0

SLR Notes:

G.4 Yes, risk factors include; size of the LDC, population within the LDC, leak, incident, and compliance histories, and time. The six largest Units are reviewed every year as they always have shown to be the highest risk and highest consequence Units.

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:

G.5 Yes, DPS has # calls and # damages in VT. DPS started using DIRT in 2008 and have access to the DIRT analytical reports.

---

6 Has state reviewed data on Operator Annual reports for accuracy? — .5 — 0.5

Yes = .5 No = 0

SLR Notes:

G.6 Yes, the reviews are done every year for VGS. Propane Operators do not file annual reports.

---

7 Has state analyzed annual report data for trends and operator issues? — .5 — 0.5

Yes = .5 No = 0

SLR Notes:

G.7. Yes, for types of damage, for types of facilities, and new pipe construction.

---

8 Has state reviewed data on Incident/Accident reports for accuracy? — .5 — NA

Yes = .5 No = 0

SLR Notes:

G.8. NA, there have been no incidents for 2007, 08, 09, 10, or to date 2011.

---

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:

G.9 Yes, DPS receives a Qtrly report from VGS. Propane Operators are exempt. The qtrly report is part of the Unit risking analysis.

---

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 NA

Yes = .5 No = 0

SLR Notes:

G.10 NA. there were no OQ activities in 2009 & 2010. Data has been uploaded in the past.

---

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:

G.11 NA. there were no GIMP activities in 2009 & 2010, there has never been an IMP report or reply to upload.

---

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

Yes = .5 No = 0

SLR Notes:

G.12 NA. there were no GIMP activities in 2009 & 2010. VT has never been a GIMP lead.

---

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:

G.13 Yes. Plastic safety advisories are sent to the operators, and most operators are queried every year during Unit inspections.

---

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 0.5

Yes = .5 No = 0

SLR Notes:

G.14 Yes, this is confirmed every year with VGS, and is cross checked directly through NPMS. There are no recent changes to transmission lines in VT. A Transmission spur was converted into Distribution Main in 8/2011.

Accident/Incident Investigation Learning and Sharing Lessons Learned

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

Yes = .5 No = 0

SLR Notes:

G.15 NA. Incident reports would have been made through their state reports presented at the NAPSR ER Meetings.

---

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

Yes = .5 No = 0

SLR Notes:

G.16. NA. no significant incidents in years. Procedures, training, coordination with Eastern Region, and Forms are all in place to support data gathering efforts concerning incidents.

---

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

Info Only = No Points

SLR Notes:

G.17 Starting to. DPS requires Root Cause Analysis to DIRT level detail. Hans has been to the Root Cause Analysis class and G.C. is on the wait list. Luckily there have been no incidents to analyze.

---

18 Does state conduct root cause analysis on incidents/accidents in state? Info Only Info Only

Info Only = No Points

SLR Notes:

G.18 Starting to. DPS requires Root Cause Analysis to DIRT level detail. Hans has been to the Root Cause Analysis class and G.C. is on the wait list. Luckily there have been no incidents to analyze.

---

19 Has state participated on root cause analysis training? (can also be on wait list) .5 0.5

Yes = .5 No = 0

SLR Notes:

G.19 Yes. Hans has been to the Root Cause Analysis class and G.C. is on the wait list.

Transparency - Communication with Stakeholders

20 Other than pipeline safety seminar does State communicate with stakeholders? (Communicate program data, pub awareness, etc.) .5 0.5

Yes = .5 No = 0

SLR Notes:

G.20 Yes, yearly outreach letter to all marketers of propane to or into VT. Regular training to the Damage Prevention Stakeholder community, including operators, excavators, drillers, municipalities, landscapers, public officials, city planners, etc.

---

21 Does state share enforcement data with public? (Website, newsletters, docket access, etc.) .5 0.5

Yes = .5 No = 0

SLR Notes:

G.21 Yes. Regular training to the Damage Prevention Stakeholder community, including operators, excavators, drillers, municipalities, landscapers, public officials, city planners, etc. Currently working to allow the public to have web access to DPS safety data.

---

22 Part G: General Comments/Regional Observations Info Only Info Only

Info Only = No Points

SLR Notes:

G.22 The DPS actively participates with NAPSR, the CGA and MUST to share lessons learned from experience and topical public safety issues. The DPS is also supporting current activity to enable web-access to gas safety and underground facility protection information. The availability of this type of information assists the department's understanding of risks and aides the development of appropriate actions to lessen chances of incidents affecting the community and continued availability of essential utility services. Mr. Mertens is currently a National officer of NAPSR and past Chairman of the NAPSR Eastern Region. Mr. Mertens is also a Board member for APGA's SIF (Security and Integrity Foundation), Mr Mertens participates in various NAPSR task forces to deal with many of the issues facing pipeline safety, in addition he has actively supported the NAPSR-PHMSA partnership through his support and attendance at sponsored workshops including the Secretary's Call to action meeting in 2nd qtr, 2011.

Total points scored for this section: 7

Total possible points for this section: 7

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.) Yes = .5 No = 0	.5	0.5

SLR Notes:

H.1 Hurricane Irene was a severe weather event in VT and tested the state's emergency response capacities. A positive note that emerged from this disaster was the development of an emergency response coordination tool. Developed through a VT-Google partnership, http://511.vermont.gov/main.jsf provides 1st responders and the public immediate information concerning road conditions, damages, and outages. This information provides pipeline safety personnel with a tool to find an effective path to a pipeline incident. In addition, knowledge regarding the storm impacted areas provides identification of areas susceptible to pipeline damage.

Based on the pending implementation of DIMP, DPS reevaluated workloads, and assigned an additional engineer, Alan St.Peter, to the pipeline safety program. His duties now include managing the Dig Safe Program enforcement effective 4th qtr 2010.

DPS has made and published the 'Vermont Underground Utility Damage Prevention Improvement Program' which addresses and gives direction for the improvement of underground damage prevention in Vermont. Recently VT was successful in satisfying the regional Dig Safe operator to allow implementation of "Virtual White Line' through their database to facilitate a pilot program in VT. This program is anticipated to provide a means to permanently and remotely record and map a proposed excavation route and tie it into a dig ticket. This project has the interest, support, and partnership of many stakeholders including excavators, Norwich University, MUST, utilities, Dig Safe, DPS, etc. This work is supported by the PHMSA SDPP grant to VT. See http://www.certusview.com/Products/tabid/56/Default.aspx

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		Points(MAX)	Score
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.) Yes = .5 No = 0	.5	0.5

SLR Notes:

H.2 Yes, a recommendation was made and developed and now work is progressing to find a path for the Public Service Board to delegate certain informal Hearing authorities to the DPS. This efforts hopes to streamline the enforcement process in the Damage Prevention Community.

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

SLR Notes:

H.3 Yes, continuing outreach through CGA and MUST, Damage prevention training for Damage Prevention stakeholders, working with operators for proper design, material selection, construction, and operation of new and modified pipeline facilities. Use of DIRT, and other information to trend hits and incidents. Independently, and as part of the whole State, review all pipeline facilities that were 'could affected' by the recent Hurricane Irene in 8/2011.

		Points(MAX)	Score
4	Did the state participate in/respond to surveys or information requests from NAPSR or PHMSA? Yes = 1 No = 0	1	1

SLR Notes:

H.4 Yes, DPS works with NAPSR, TQ, & PHMSA, and responds to all surveys.

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

SLR Notes:

H.5 Yes. While there was no particular discovery or lessons learned during 2010, DPS supports and participates in active information exchanges within, CGA, MUST, NAPSR, NEPSR, and PHMSA. DPS responds to all correspondence, provides training, and participates in various committees. An example of participation was the support of the 'State Damage Prevention Program Characterization Tool', and Hans sits as a Board Member of NAPSR. In addition VT is actively developing virtual DIRT.

		Points(MAX)	Score
6	Part H: General Comments/Regional Observations Info Only = No Points	Info Only	Info Only

SLR Notes:

H.6 Hurricane Irene was a severe weather event in VT and tested the state's emergency response capacities. A positive note that emerged from this disaster was the development of an emergency response coordination tool. Developed through a VT-Google partnership, http://511.vermont.gov/main.jsf provides 1st responders and the public immediate information concerning road conditions, damages, and outages. This information provides pipeline safety personnel with a tool to find an effective path to a pipeline incident. In addition, knowledge regarding the storm impacted areas provides identification of areas susceptible to pipeline damage.

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improvement of underground damage prevention in Vermont. Recently VT was successful in satisfying the regional Dig Safe operator to allow implementation of "Virtual White Line' through their database to facilitate a pilot program in VT. This program is anticipated to provide a means to permanently and remotely record and map a proposed excavation route and tie it into a dig ticket. This project has the interest, support, and partnership of many stakeholders including excavators, Norwich University, MUST, utilities, Dig Safe, DPS, etc. This work is supported by the PHMSA SDPP grant to VT. See http://www.certusview.com/Products/tabid/56/Default.aspx

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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? 1 1

Yes = 1 No = 0

SLR Notes:

I.1 Yes, DPS has a D&A program that addresses VGS. All propane operators have an exclusion; see 192.2(C)(2)

---

2 Is the state verifying that operators are conducting the drug and alcohol tests required by the operators program (random, post-incident, etc.) .5 0.5

Yes = .5 No = 0

SLR Notes:

I.2 Yes, DPS verifies to CFR 199 and to the operator's program. In 2009 the D&A short form was used. The Long form has been received and reviewed, and is planned to be used starting 2011. No D&A was conducted 2010.

---

3 Is the state verifying that any positive tests are responded to in accordance with the operator's program? .5 0.5

Yes = .5 No = 0

SLR Notes:

I.3 Yes, Operator procedures are followed. Positive tests result in declining to hire, employee termination or drug rehabilitation, and contractor employees are restricted from performing any covered task. This question was asked verbally when using the short form. (It is on the long form).

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

4 Has the state verified that operators have a written qualification program? 1 1

Yes = 1 No = 0

SLR Notes:

I.4 Yes, DPS verified & inspected the VGS OQ Plan in 2005. DPS is targeting full OQ re-inspections for 2012. 2011 is targeted for GIMP & DIMP.

---

5 Has the state reviewed operator qualification programs for compliance with PHMSA rules and protocols? .5 0.5

Yes = .5 No = 0

SLR Notes:

I.5 Yes, DPS verified & inspected the VGS OQ Plan in 2005. DPS is targeting full OQ re-inspections for 2012. 2011 is targeted for GIMP & DIMP.

---

6 Is the state verifying that persons who perform covered tasks for the operator are qualified in accordance with the operator's program? .5 0.5

Yes = .5 No = 0

SLR Notes:

I.6 Yes, it is covered in the OQ inspections. Also Protocol 9 reviews are done most years.

---

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? .5 0.5

Yes = .5 No = 0

SLR Notes:

I.7 Yes, OQ records are checked during many Unit inspections, also the original OQ inspection and during Protocol 9 inspections.

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? 1 1

Yes = 1 No = 0

SLR Notes:

I.8 Yes, one operator, VGS, has a transmission line. It crosses several HCA. VGS has a GIMP.

---

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? .5 0.5

Yes = .5 No = 0

SLR Notes:

I.9 Yes, the impact radii calculations and the HCA determinations have been verified during the GIMP review.

---

10 Has the state reviewed operator IMPs for compliance with Subpart O? (In accordance with State Inspection plan) .5 0

Yes = .5 No = 0

SLR Notes:

I.10 No. It was discovered that there had never been a full GIMP Inspection of VGS until July, 2011. It has been verified that the Operator is subject to subpart O for its transmission line in VT.

---

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? .5 0.5

Yes = .5 No = 0

SLR Notes:

I.11 Yes, these items are addressed every year.

---

12 Is the state verifying that operators are periodically examining their transmission line routes for the appearance of new HCAs? .5 0.5

Yes = .5 No = 0

SLR Notes:

I.12 Yes, this has been addressed verbally every year. As there has been little new construction, the major cause of HCA change has been 'changes in use of buildings' with more HCA being removed than added.

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) .5 0.5

Yes = .5 No = 0

SLR Notes:

I.13 Yes, the programs have been developed and verified. They are re-checked annually during Unit inspections.

---

14 Has the state reviewed the content of these programs for compliance with 192.616 (by participating in the Clearinghouse or by other means)? .5 0.5

Yes = .5 No = 0

SLR Notes:

I.14 Yes per the Clearing House annual review and follow up of any deficiencies.

---

15 Is the state verifying that operators are conducting the public awareness activities called for in its program? .5 0.5

Yes = .5 No = 0

SLR Notes:

I.15 Yes, During Head office visits, which generally occur annually.

---

16 Is the state verifying that operators have evaluated their Public Awareness programs for effectiveness as described in RP1162? Info Only Info Only

Info Only = No Points

SLR Notes:

I.16 Not yet. VGS has not yet performed its self evaluation and the propane operators have not been held to API RP 1162. Hans & GC are scheduled for PAPEE training in Nov, 2011.

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17 Part I: General Comments/Regional Observations Info Only Info Only

Info Only = No Points

SLR Notes:

I.17 VT is aware of, plans for, and conducts inspections concerning D&A, OQ, GIMP, DIMP, and Public Awareness.

Total points scored for this section: 8.5

Total possible points for this section: 9