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

1200 New Jersey Avenue SE
Washington DC 20590

2010 Hazardous Liquid State Program Evaluation

for

MN Office of Pipeline Safety

Document Legend
PART:

- O -- Representative Date and Title Information
- A -- General Program Qualifications
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2010 Hazardous Liquid State Program Evaluation -- CY 2010

Hazardous Liquid

State Agency: Minnesota
Rating:
Agency Status:
60105(a): Yes **60106(a):** No **Interstate Agent:** Yes
Date of Visit: 08/08/2011 - 08/12/2011
Agency Representative: Elizabeth Skalnek
PHMSA Representative: Leonard Steiner (Office), Dale Bennett (Field)
Commission Chairman to whom follow up letter is to be sent:

Name/Title: Ramona L. Dohman, Commissioner
Agency: Minnesota Department of Public Safety
Address: 445 Minnesota Street, Suite 1000
City/State/Zip: Saint Paul, Minnesota 55101-2156

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	25	25
B	Inspections and Compliance - Procedures/Records/Performance	23.5	23.5
C	Interstate Agent States	6	6
D	Accident Investigations	7	7
E	Damage Prevention Initiatives	9	9
F	Field Inspection	12	12
G	PHMSA Initiatives - Strategic Plan	8	8
H	Miscellaneous	3	3
I	Program Initiatives	6	6
TOTALS		**99.5**	**99.5**
State Rating			**100.0**

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 Hazardous Liquid and CO2 facilities (1) ☒
b. Total state inspection activity (2) ☒
c. Hazardous Liquid facilities subject to state safety jurisdiction (3) ☒
d. Hazardous Liquid pipeline incidents (4) ☒
e. State compliance actions (5) ☒
f. State record maintenance and reporting (6) ☒
g. State employees directly involved in the Hazardous Liquid pipeline safety program (7) ☒
h. State compliance with Federal requirements (8) ☒

SLR Notes:

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 (accident criteria as referenced in 195.50? - Mechanism should include receiving "after hours" reports) (Chapter 6) Previous Question A.2 Yes = 1 No = 0	1	1

SLR Notes:

Yes. They have a full time duty officer system to receive notifications.

3	Has the state held a pipeline safety T & Q 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.5 Yes = 2 No = 0	2	2

SLR Notes:

Yes, the last safety seminar was April 2010.

4	Were pipeline safety program files well-organized and accessible?(NOTE: This also includes electronic files) (Chapter 5) Previous Question A.6 Yes = 1 No = 0	1	1

SLR Notes:

Yes

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.7 Yes = 2 No = 0 Needs Improvment = 1	2	2

SLR Notes:

Yes

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.9 Yes = 1 No = 0	1	1

SLR Notes:

Yes

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? (Chapter 8.1) Previous Question A.10 Yes = 1 No = 0	1	1

SLR Notes:

The Department of Public Safety (DPS) support and all training. DPS has hired replacement inspectors and continue to maintain the needed staff.

Personnel and Qualifications

8 Has each inspector fulfilled the 3 year T&Q training requirement? If No, has the state been granted a waiver regarding T&Q courses by the Associate Administrator for Pipeline Safety? (NOTE: If the State has new inspectors who have not attended all T&Q 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.11

Yes = 3 No = 0

3 3

SLR Notes:

Yes, the inspectors either have completed the courses or are on schedule to complete.

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9 Brief Description of Non-T&Q training Activities

Info Only = No Points

Info Only Info Only

For State Personnel:

Inspectors attend the NACE conference.

For Operators:
They assist at the Pipeline Safety Conference, Damage Prevention Seminars, and provide presentations on boring through sewer lines.

For Non-Operator Entities/Parties, Information Dissemination, Public Meetings:
The DPS Pipeline Safety Office provides information at the Minnesota State Fair, home and garden shows, and at farm shows.

SLR Notes:

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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.13

Yes = 1 No = 0

1 1

SLR Notes:

Yes

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11 Did the lead inspectors complete all required T&Q Integrity Management (IMP) Courses/Seminars and CBT before conducting IMP Inspections? (Chapter 4.4.1) Previous Question A.14

Yes = 1 No = 0

1 NA

SLR Notes:

No IMP inspections were conducted.

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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.14

Yes = 5 No = 0

5 5

A. Total Inspection Person Days (Attachment 2):

145.00

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

220 X 1.62 = 356.40

Ratio: A / B

145.00 / 356.40 = 0.41

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

Points = 5

SLR Notes:

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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 = No Points

Info Only Info Only

SLR Notes:

Two additional inspectors have been hired.

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

SLR Notes:

Total points scored for this section: 25
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) (Chapter 5.1) Previous Question B.1 + Chapter 5 Changes — 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:

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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:

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 — 2

Yes = 2 No = 0

SLR Notes:

yes

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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.5 — 1 — 1

Yes = 1 No = 0

SLR Notes:

Yes

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5 Did state complete all applicable portions of inspection forms? (Chapter 5.1 (3)) Previous Question B.6 — 1 — 1

Yes = 1 No = 0

SLR Notes:

Yes

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6 Did the state initiate appropriate follow-up actions to Safety Related Condition Reports? (Chapter 6.3) Previous Question B.7 — .5 — NA

Yes = .5 No = 0

SLR Notes:

No Safety Related Condition Reports were submitted.

7 Did the state review operator procedures for determining areas of active corrosion on liquid lines in sufficient detail? (NOTE: PHMSA representative to describe state criteria for determining areas of active corrosion) Previous Question B.8
Yes = .5 No = 0

.5 | 0.5

SLR Notes:

Yes

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8 Did the state adequately review for compliance operator procedures for abandoning pipeline facilities and analyzing pipeline accidents to determine their causes? (NOTE: PHMSA representative to describe state criteria for determining compliance with abandoning pipeline facilities and analyzing pipeline accidents to determine their causes) Previous Question B.9
Yes = .5 No = 0

.5 | 0.5

SLR Notes:

Yes

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9 Is the state aware of environmentally sensitive areas traversed by or adjacent to hazardous liquid pipelines? (reference Part 195, review of NPMS) Previous Question B.16
Yes = .5 No = 0

.5 | 0.5

SLR Notes:

MNOPS has an accurate mapping system.

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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 195.402(c)(5)? Previous Question B.11
Yes = 1 No = 0

1 | 1

SLR Notes:

Yes

Compliance - 60105(a) States

11 Did the state adequately document sufficient information on probable violations? (Chapter 5.2) Previous Question B.13
Yes = 1 No = 0 Needs Improvement = .5

1 | 1

SLR Notes:

Yes, two probable violations were discovered.

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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 C(1).1
Yes = 1 No = 0 Needs Improvement = .5

1 | 1

SLR Notes:

Yes

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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 C (1).2
Yes = 1 No = 0 Needs Improvement = .5

1 | 1

SLR Notes:

Yes

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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 C(1).3
Yes = 1 No = 0 Needs Improvement = .5

1 | 1

SLR Notes:

Yes

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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 C(1).4

Yes = 1 No = 0

1 | 1

SLR Notes:

Yes, two probable violations were discovered on one intrastate operator.

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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 C(1).5

Yes = 1 No = 0 Needs Improvement = .5

1 | 1

SLR Notes:

Yes

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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 C(1).6

No = 0 Yes = 1

1 | NA

SLR Notes:

No "Show Cause Hearings" were required.

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

Yes = 1 No = 0 Needs Improvement = .5

1 | 1

SLR Notes:

Yes

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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 C(1).8

Yes = .5 No = 0

.5 | 0.5

SLR Notes:

Yes

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

Yes = 1 No = 0 Needs Improvement = .5

1 | 1

SLR Notes:

Yes

Compliance - 60106(a) States

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

Yes = 1 No = 0 Needs Improvement = .5

1 | NA

SLR Notes:

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

Yes = 1 No = 0 Needs Improvement = .5

1 | NA

SLR Notes:

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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 C(2).3

Yes = 1 No = 0 Needs Improvement = .5

1 | NA

SLR Notes:

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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 C(2).4 — 1 — NA

Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

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25 Did the state give written notice to PHMSA within 60 days of all probable violations found? Previous Question C(2).5 — 1 — NA

Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

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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:

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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:

Yes

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

Info Only = No Points

SLR Notes:

Total points scored for this section: 23.5

Total possible points for this section: 23.5

PART C - Interstate Agent States

		Points(MAX)	Score
1	Did the state use an inspection form that was approved by the Regional Director? Previous Question C(3).1 Yes = 1 No = 0 Needs Improvement = .5	1	1

SLR Notes:

Yes

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

SLR Notes:

Yes

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

SLR Notes:

Yes

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 C(3).4 Yes = 1 No = 0	1	1

SLR Notes:

Yes

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 C(3).5 Yes = 1 No = 0 Needs Improvement = .5	1	NA

SLR Notes:

No imminent safety hazards were discovered.

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

SLR Notes:

Yes

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

SLR Notes:

Yes

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

SLR Notes:

The interstate program evaluation was reviewed by the Central Region PHMSA and concurrance is noted.

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

PART D - Accident Investigations

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

SLR Notes:

Yes

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 D.2 Yes = .5 No = 0	.5	0.5

SLR Notes:

Yes

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

SLR Notes:

Yes

4	If an onsite investigation of an accident 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 D.4 Yes = 1 No = 0 Needs Improvement = .5	1	1

SLR Notes:

Yes

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

a.	Observations	Yes ◉	No ○	Needs Improvement ○
b.	Contributing factors	Yes ◉	No ○	Needs Improvement ○
c.	Recommendations to prevent recurrences where appropriate	Yes ◉	No ○	Needs Improvement ○

SLR Notes:

Yes

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

SLR Notes:

Yes

7	Did the state assist region office by taking appropriate follow-up actions related to the operator accident (and forward to PHMSA within 10 Days per 195.58) 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 D.7/D.8 and A.4 Yes = .5 No = 0	.5	.5

SLR Notes:

Yes

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

SLR Notes:

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

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.12 Yes = 2 No = 0 Needs Improvement = 1	2	2

SLR Notes:

MNOPS has sent an Alert Notice to operators about theunique dangers of trenchless technologies and inspects the O&M for procedures.

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:

Yes

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.8 Yes = 2 No = 0 Needs Improvement = 1	2	2

SLR Notes:

MNOPS gives presentations at the regional CGA meetings.

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:

Yes

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 195.402 (c)(5)? Yes = 2 No = 0	2	2

SLR Notes:

Yes

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

SLR Notes:

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:
St Paul Park Refining/Northern Tier Pipeline Office

Name of State Inspector(s) Observed:
Tom Prew

Location of Inspection:
St Paul Park, Miinnesota

Date of Inspection:
9/22/2011

Name of PHMSA Representative:
Dale Bennett

SLR Notes:

Field Audit began at 9:00 am. This portion of the audit focused on valves and above grade piping on the transmission. The records portion will be completed in December, 2011. Northern Tier has recently acquired these assets, and will be ready to complete this audit at that time.
There are two 3 mile long transmission mains as part of this system The mains start at the breakout tanks in Cottage Grove, and terminate at the storage tanks inside the plant, on the east side of St. Paul Park Road. At the terminus there are block valves and associated pig trap piping, which was inspected. 4 valves in the plant and associated piping were inspected while Dale Bennett, Elizabeth Skalnek and Susan Brommernd were in attendance. MNOPS valve checklist was used. All 4 valves were in serviceable condition, with no leaks detected and no corrosion.

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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:

The operator was notified about the planned inspection approximately one day prior to the inspection.

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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 E.2 — 2 | 2

Yes = 2 No = 0

SLR Notes:

The inspector used the federal inspection form for hazardous liquid pipelines.

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

Yes = 2 No = 0

SLR Notes:

Yes. The inspector marked the "check-off" columns for the results found on each item covered on the federal form. Any unsatisfactory results were described in the comments section of the form.

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5 Did the inspector check to see if the operator had necessary equipment during inspection to conduct tasks viewed? (Maps, valve keys, half-cells, etc.) New 2008 — 1 | 1

Yes = 1 No = 0

SLR Notes:

Yes. The inspector checked the equipment to be used.

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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:

The inspector performed a standard inspection. The inspection covered activities of the operator since the last inspection was performed in 2009.

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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:

The procedures and records review was conducted. On the day of observation, the inspector observed the condition of pipeline facilities in the field.

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8 Did the inspector have adequate knowledge of the pipeline safety program and regulations? (Liaison will document reasons if unacceptable) Previous Question E.8 — 2 — 2

Yes = 2 No = 0

SLR Notes:

Mr. Prew exhibited a good understanding of the pipeline safety regulations and knowledge of the operator's pipeline facilties.

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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 E.10 — 1 — 1

Yes = 1 No = 0

SLR Notes:

Yes. The inspector provided a briefing of the inspection results to the operator and provided additional items that were needed from the operator to complete the inspection.

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

Yes = 1 No = 0

SLR Notes:

Yes. The inspector idenitified the concerns that were found during the inspection. He explained the regulatory requirements.

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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:

The inspector observed valve operating tests, atmospheric corrosion condition of above ground piping, line markers and signs. Mr. Prew was very thorough in his inspection observations. He conducted the inspection in a professional manner and treated the operator's representatives with respect.

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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:

There were no best practices that were observed to share with other states or PHMSA regions.

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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:

Most of these areas were covered during inspection conducted the day of the observation.

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

Info Only = No Points

SLR Notes:

Mr. Prew was very thorough in his inspection observations. He conducted the inspection in a professional manner and treated the operator's representatives with respect. He provided a clear and concise briefing of her inspection findings. Numerous concerns were identified with the inspection that was performed.

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:

Yes

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

Yes = .5 No = 0

SLR Notes:

They have three operators with 3 units.

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

Yes = .5 No = 0

SLR Notes:

Yes

Use of Data to Help Drive Program Priority and Inspections

4 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:

Yes, They analyze the types of excavation damages and the trends of the damages.

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

Yes = .5 No = 0

SLR Notes:

Yes

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

Yes = .5 No = 0

SLR Notes:

Yes

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

Yes = .5 No = 0

SLR Notes:

No accidetns in CY 2010.

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8 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:

Minnesota has several parameters which include the number of accidents, amounts of damages, quantity of spills, injuries and fatalities.

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9 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? .5 0.5

Yes = .5 No = 0

SLR Notes:

Yes

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

Yes = .5 No = 0

SLR Notes:

None required.

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

Yes = .5 No = 0

SLR Notes:

No IMP inspections in CY 2010.

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12 Did the State use the Federal Protocols to conduct IMP Inspections? (If the State used an alternative inspection form(s) please provide information regarding alternative form(s)) Previous Question C(2).6 .5 NA

Yes = .5 No = 0

SLR Notes:

No IMP inspections in CY 2010.

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13 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:

Yes, part of a standard inspection.

Accident/Incident Investigation Learning and Sharing Lessons Learned

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

Yes = .5 No = 0

SLR Notes:

Yes

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

Yes = .5 No = 0

SLR Notes:

Yes

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

Info Only = No Points

SLR Notes:

Yes

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

Info Only = No Points

SLR Notes:

Yes

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

No = 0 Yes = .5

SLR Notes:

Yes

Transparency - Communication with Stakeholders

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

SLR Notes:

Several methods for communications are CGA meetings, excavator meeting/training and the MNOPS newsletter.

20	Does state share enforcement data with public? (Website, newsletters, etc.) Yes = .5 No = 0	.5	0.5

SLR Notes:

MNOPS has data on the MNOPS website.

21	Part G: General Comments/Regional Observations Info Only = No Points	Info Only	Info Only

SLR Notes:

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

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.) Previous Question A.15 Yes = .5 No = 0	.5	0.5

SLR Notes:

MNOPS has hire new inspectors.

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.) A.16 Yes = .5 No = 0	.5	0.5

SLR Notes:

Continue to emphasize the need for damage preventation, especially horizontal boring.

3	Any Risk Reduction Accomplishments/Projects? (i.e. Replacement projects,bare steel,third-party damage reductions, HCA's/USA mapping, internal corrosion, etc.) Yes = .5 No = 0	.5	0.5

SLR Notes:

No special projects except for the emphasis of damage prevention.

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

SLR Notes:

Yes

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

SLR Notes:

yes, Sharing computer software with other states.

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

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? — 1 — 1

Yes = 1 No = 0

SLR Notes:

Yes

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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:

Yes

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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:

Yes, Checked for any positives.

Qualification of Pipeline Personnel (49 CFR Part 195 Subpart G)

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

Yes = 1 No = 0

SLR Notes:

Yes, however, no OQ inspections in CY 2010.

---

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

Yes = .5 No = 0

SLR Notes:

No OQ inspections in CY 2010.

---

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

Yes = .5 No = 0

SLR Notes:

No OQ inspections in CY 2010.

---

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 — NA

Yes = .5 No = 0

SLR Notes:

No OQ inspections in CY 2010.

Hazardous Liquid Pipeline Integrity Management (49 CFR Part 195.452)

8 Has the state verified that all operators with hazardous liquid pipelines have adopted an integrity management program (IMP)? — 1 — 1

Yes = 1 No = 0

SLR Notes:

Yes, however, No IM inspections conducted in CY 2010.

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9 Has the state verified that in determining whether a plan is required, the operator properly applied the definition of a high consequence area? — .5 — NA

Yes = .5 No = 0

SLR Notes:

No IM inspections conducted in CY 2010.

10 Has the state reviewed operator IMPs for compliance with 195.452? .5 NA

Yes = .5 No = 0

SLR Notes:

No IM inspections conducted in CY 2010.

---

11 Is the state monitoring operator progress on the inspections, tests and remedial actions required by the operator's IMP, which includes the manner and schedule called for in its IMP? .5 NA

Yes = .5 No = 0

SLR Notes:

No IM inspections conducted in CY 2010.

---

12 Is the state verifying operators are periodically examining their hazardous liquid piplines for the appearance of new HCAs? .5 0.5

Yes = .5 No = 0

SLR Notes:

Yes, part of the standard inspections.

Public Awareness (49 CFR Section 195.440)

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)? .5 0.5

Yes = .5 No = 0

SLR Notes:

Yes

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14 Has the state reviewed the content of these programs for compliance with 195.440 (by participating in the Clearinghouse or by other means)? .5 0.5

Yes = .5 No = 0

SLR Notes:

Yes

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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:

Yes

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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:

Yes

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

Info Only = No Points

SLR Notes:

Total points scored for this section: 6

Total possible points for this section: 6