



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

1200 New Jersey Avenue SE
Washington DC 20590

2012 Natural Gas State Program Evaluation

for

MISSISSIPPI PUBLIC SERVICE COMMISSION

DRAFT

Document Legend PART:

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



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

State Agency: Mississippi
Agency Status:
Date of Visit: 06/10/2013 - 06/13/2013
Agency Representative: Mark McCarver, Director, Pipeline Safety
PHMSA Representative: Don Martin
Commission Chairman to whom follow up letter is to be sent:
Name/Title: Leonard Bentz, Chairman
Agency: Mississippi Public Service Commission
Address: 501 North West Street, Suite 201a
City/State/Zip: Jackson, MS 39201

INSTRUCTIONS:

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

Field Inspection (PART G):

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

Scoring Summary

PARTS	Possible Points	Points Scored
A Progress Report and Program Documentation Review	10	9
B Program Inspection Procedures	15	14
C Program Performance	46	43
D Compliance Activities	15	14
E Incident Investigations	3	3
F Damage Prevention	8	8
G Field Inspections	12	12
H Interstate Agent State (If Applicable)	0	0
I 60106 Agreement State (If Applicable)	0	0
TOTALS	109	103
State Rating		94.5



PART A - Progress Report and Program Documentation Review

Points(MAX) Score

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

Evaluator Notes:

One unit was acquired during the year and was captured in Attachment 3. Attachment 1 did not account for the reduction of one inspection unit. One point could not be given due to this inaccuracy.

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

Evaluator Notes:

Inspection person days matched the report from the MPSC's inspection database.

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

Evaluator Notes:

One unit was acquired during the year and was captured in Attachment 3. No issues with the accuracy of Attachment 3.

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

Evaluator Notes:

The federal database did not show any incident reports in Mississippi for CY2012. The MPSC's Attachment 4 also shows no reportable incidents.

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

Evaluator Notes:

The MPSC's database report supported the numbers entered into Attachment 5.

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

Evaluator Notes:

There were no issues found with the organization of the MPSC's files. Inspection files are kept on a network drive.

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

Evaluator Notes:

No issues were found with Attachment 7.

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

Evaluator Notes:

Jurisdictional authority entries were consistent with PHMSA's summary of states' authorities.



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

Evaluator Notes:

No accuracy issues were found with Attachment 10. It is recommended that the MPSC provide a narrative on the accomplishments related to meeting its annual inspection plan.

10 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

The MPSC has generally complied with the requirements of Part A of this evaluation except as noted below.

Question A.3 - One unit was acquired during the year and was captured in Attachment 3. Attachment 1 did not account for the reduction of one inspection unit. One point could not be given due to this inaccuracy.

Total points scored for this section: 9
Total possible points for this section: 10

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PART B - Program Inspection Procedures

Points(MAX) Score

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

Evaluator Notes:
 The MPSC has identified its inspection frequencies in its operation procedures. Standard inspections will be scheduled based upon risk analysis but not to exceed once every two years.

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

Evaluator Notes:
 It was noted in the CY2011 evaluation that was IMP inspections were not explicitly described in the MPSC's inspection plan procedures. A revision has not been completed to incorporate IMP inspections as a separate inspection type with descriptions of frequencies and how they will be scheduled. One point can not be given for Question B.2 until this revision is made.

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

Evaluator Notes:
 The MPSC has completed the review of operator's initial OQ Plans. The MPSC's Operation Manual states they will be conducted on an as needed basis such as new operators or plan revisions made by an operator. Protocol 9 - Field inspections are conducted as part of the Comprehensive Inspection (Standard).

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

Evaluator Notes:
 Are part of the Comprehensive Inspections (Standard) when covering 192.614..

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

Evaluator Notes:
 The MPSC schedules Operator Training on an as needed basis such as new Master Meter operators.

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

Evaluator Notes:
 The MPSC requires operators to provide official notice of pending construction projects. The MPSC's Operation Manual states a construction inspection will be scheduled upon receiving these notices.

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

Evaluator Notes:
 The MPSC's Operation Manual states that investigators will be sent to incident location as soon as notice is provided.

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

- | | | | | |
|----|--|--------------------------------------|--------------------------|---|
| a. | Length of time since last inspection | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| b. | Operating history of operator/unit and/or location (includes leakage, incident and compliance activities) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| c. | Type of activity being undertaken by operators (i.e. construction) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |
| d. | Locations of operators inspection units being inspected - (HCA's, Geographic areas, Population Density, etc) | Yes <input checked="" type="radio"/> | No <input type="radio"/> | Needs Improvement <input type="radio"/> |

e. Process to identify high-risk inspection units that includes all threats - (Excavation Damage, Corrosion, Natural Forces, Outside Forces, Material and Welds, Equipment, Operators and any Other Factors)

Yes No Needs Improvement

f. Are inspection units broken down appropriately?

Yes No Needs Improvement

Evaluator Notes:

The MPSC's Operation Manual states that these factors will be considered in the scheduling of inspections. Comprehensive inspections of each operator will be completed once every two years. A risk score is updated upon the completion of each comprehensive inspection. A review of the inspection units indicates that the units are appropriate.

9 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

The MPSC has generally complied with the requirements of Part B of this evaluation with the exception noted below.

Question B.2 - It was noted in the CY2011 evaluation that was IMP inspections were not explicitly described in the MPSC's inspection plan procedures. A revision has not been completed to incorporate IMP inspections as a separate inspection type with descriptions of frequencies and how they will be scheduled. One point can not be given for Question B.2 until this revision is made.

Total points scored for this section: 14
Total possible points for this section: 15

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PART C - Program Performance

Points(MAX) Score

- 1** Was ratio of Total Inspection person-days to total person days acceptable? (Director of State Programs may modify with just cause) Chapter 4.3 (A12) 5 5
 Yes = 5 No = 0
 A. Total Inspection Person Days (Attachment 2):
 556.00
 B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
 220 X 6.00 = 1320.00
 Ratio: A / B
 556.00 / 1320.00 = 0.42
 If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0
 Points = 5

Evaluator Notes:

The MPSC achieved a ratio of 0.42 during CY2012.

- 2** Has each inspector and program manager fulfilled the T Q Training Requirements? (See Guidelines for requirements) Chapter 4.4 (A8-A11, G19) 5 2
 Yes = 5 No = 0 Needs Improvement = 1-4
- a. Completion of Required OQ Training before conducting inspection as lead? Yes No Needs Improvement
 - b. Completion of Required DIMP*/IMP Training before conducting inspection as lead? *Effective Evaluation CY2013 Yes No Needs Improvement
 - c. Root Cause Training by at least one inspector/program manager Yes No Needs Improvement
 - d. Note any outside training completed Yes No Needs Improvement

Evaluator Notes:

Lewis Davis attended the first TQ course in 2003. Six TQ courses should have been completed by 2008 to meet the five year requirement. According to information on Attachment 7 of the 2012 Progress Report this individual has not completed PL3257, one of the six required courses. Neill Wood attended his first TnQ course in December, 2009. He has not attended PL3257 as of year end 2012. Three points are deducted from the possible score of five. The inspectors will need to complete PL3257 to avoid a three point deduction in the future.

- 3** Did state records and discussions with state pipeline safety program manager indicate adequate knowledge of PHMSA program and regulations? Chapter 4.1,8.1 (A5) 2 2
 Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes.

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

Evaluator Notes:

The sixty day requirement was met. The MPSC responded in 34 days.

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

Evaluator Notes:

The MPSC conducts seminars annually.

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

Evaluator Notes:

Yes. The MPSC time intervals are established at once every two years. Except for four master meter operators, the MPSC inspected all operators and inspection units during 2012.

7	Did inspection form(s) cover all applicable code requirements addressed on Federal Inspection form(s)? Did State complete all applicable portions of inspection forms? Chapter 5.1 (B4-5) Yes = 2 No = 0 Needs Improvement = 1	2	2
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Evaluator Notes:
The MPSC uses the federal inspection forms.

8	Did the state review operator procedures for determining if exposed cast iron pipe was examined for evidence of graphitization and if necessary remedial action was taken? (NTSB) Chapter 5.1 (B7) Yes = 1 No = 0	1	1
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Evaluator Notes:
The MSPC covers this issue by completing the federal form.

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

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

11	Did the state review operator records of previous accidents and failures including reported third party damage and leak response to ensure appropriate operator response as required by 192.617? Chapter 5.1 (B10,E5) Yes = 1 No = 0	1	1
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Evaluator Notes:
The MPSC covered this requirement when conducting standard inspections. The MPSC uses the federal inspection which covers this item.

12	Has the state reviewed Operator Annual reports, along with Incident/Accident reports, for accuracy and analyzed data for trends and operator issues? Data Initiative (G6-9,G16) Yes = 2 No = 0 Needs Improvement = 1	2	2
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Evaluator Notes:
The MPSC reviews the annual reports and requests operator to submit revisions if discrepancies are found.

13	Did state input all applicable OQ, IMP inspection results into federal database in a timely manner? This includes replies to Operator notifications into IMDB database. Chapter 5.1 (G10-12) Yes = 2 No = 0 Needs Improvement = 1	2	2
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Evaluator Notes:
No inspections were found that were entered into the databases.

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

Evaluator Notes:

As part of the MPSC's standard inspection, the MPSC reviews the operator's submission of pipeline data to the NPMS database. The MPSC has also accessed the database and reviewed the pipelines shown in the database to verify that intrastate transmission lines in Mississippi are included.

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

Evaluator Notes:

The MPSC conducted one drug and alcohol plan inspection during 2011. The MPSC verifies that operators are complying with their plans in the event of positive tests and that they are meeting the random sampling percentage. This is done during comprehensive inspections.

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

Evaluator Notes:

The MPSC checks for OQ program updates while conducting comprehensive inspections.

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

Evaluator Notes:

The MPSC has completed Integrity Management Plan initial inspections for all operators that have gas transmission pipelines. On going IMP requirements are reviewed as part of the Comprehensive Inspections.

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

The MPSC has conducted DIMP inspections. It is on schedule to complete the first round of DIMP inspections by the end of CY2014.

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

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

The Public Awareness program requirements are reviewed during standard inspections. Public Awareness Program Effectiveness (PAPEE) reviews have been initiated on some operators. The MPSC is on schedule to complete PAPEE reviews by the end of 2013.



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

Evaluator Notes:

The Commission's website contains a site for pipeline safety where announcements can be placed. The Commission has an online docket system where show cause cases can be accessed.

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

Evaluator Notes:

Yes. Lyla Carnley was delegated this task. Lyla provided the appropriate follow-up actions during CY2012.

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

Evaluator Notes:

Yes. The MPSC has requested this information during its standard inspections and has encouraged operators to participate in AGA's data gathering effort on plastic pipe issues. Mark McCarver is a NAPSRS representative on the Plastic Pipe Data Committee.

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

Evaluator Notes:

No occurrences were found where the MPSC did not respond to surveys or information requests.

24 General Comments: Info Only|Info Only
Info Only = No Points

Evaluator Notes:

The MPSC has generally complied with the requirements of Part C of this evaluation.

Total points scored for this section: 43
Total possible points for this section: 46



PART D - Compliance Activities

Points(MAX) Score

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

Evaluator Notes:

The MPSC office procedures describe the steps to be taken until the probable violations are corrected. The MPSC issues a non-compliance notification to an operator when a probable violation is found. An operator is given 30 days to respond to the notice. Followup inspections are conducted to monitor the progress of corrective actions. Operators are given the opportunity to provide information showing that a probable violation did not occur or an opportunity to request a hearing before the Commissioners to argue that a probable violation did not occur. The MPSC maintains a database that shows the number of probable violations found in each inspection and the status of corrective action.

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

Evaluator Notes:

Upon a review of randomly selected inspection report files the MPSC followed its procedures in the report files reviewed. All probable violations were documented on the completed federal inspection forms.

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

Evaluator Notes:

Upon a review of randomly selected 2011 inspection report files compliance actions were issued for all probable violations found during inspections. The notice of probable violation letter issued under the Director's signature states the code section (s) that the operator did not comply with but does not describe the action or lack of action that caused the probable violation to be alleged. The operator has to refer to the inspection form to understand what is alleged. The MPSC should include the action found during its inspection in the non-compliance letter.

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

Evaluator Notes:

Operators are provided with the opportunity to provide information that shows that a probable violation did not occur. If resolution can not be achieved at this point, operators can petition the Commissioners for a "show cause" hearing.

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

Evaluator Notes:

The MPSC program manager provided a verbal description of the process for imposing civil penalties. The process has not been used in a number of years. Civil penalties for repeat violations are a consideration but have not been invoked within recent years.



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

Evaluator Notes:

No. The MPSC has not issued a civil penalty for many years.

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

Evaluator Notes:

The MPSC has generally complied with the requirements of Part D of this evaluation except as noted below:

Question D.6 - The MPSC has not issued a civil penalty for many years. One point could not be given for this question.

Also it is recommended as follows:

Question D.3 - Upon a review of randomly selected 2011 inspection report files compliance actions were issued for all probable violations found during inspections. The notice of probable violation letter issued under the Director's signature states the code section(s) that the operator did not comply with but does not describe the action or lack of action that caused the probable violation to be alleged. The operator has to refer to the inspection form to understand what is alleged. The MPSC should include the action found during its inspection in the non-compliance letter.

Total points scored for this section: 14
Total possible points for this section: 15

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PART E - Incident Investigations

Points(MAX) Score

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

Evaluator Notes:

Yes. The program manager exhibited knowledge of the MOU and Appendix E information regarding cooperation between PHMSA and a state program in the investigation of incidents.

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

Evaluator Notes:

There were no reportable incidents in CY2012.

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

Evaluator Notes:

There were no reportable incidents in CY2012.

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

Evaluator Notes:

There were no reportable incidents in CY2012.

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

Evaluator Notes:

There were no reportable incidents in CY2012.

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

Evaluator Notes:

Yes. The MPSC shared information during the 2012 NAPS Southern Region Meeting.

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

Evaluator Notes:



The MPSC has generally complied with the requirements of Part E of this evaluation. A large portion of Part E is not applicable due to now incidents reported in 2012.

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

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PART F - Damage Prevention

Points(MAX) Score

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

Evaluator Notes:

The MPSC covers this issue while using the federal inspection form during its standard inspection.

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

Evaluator Notes:

The MPSC verifies the operator is complying with this requirement while completing the federal inspection form.

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

Evaluator Notes:

The MPSC has promoted the CGA Best Practices with operators has participated in an effort to convince the state legislature to incorporate the 9 elements into Mississippi damage prevention laws. The MPSC continues to participate in the damage prevention stakeholders' efforts to incorporate the nine elements into the Mississippi damage prevention law.

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

Evaluator Notes:

The MPSC has started collecting the damage information reported on operators' annual reports. The MPSC has not gained enough yearly data to trend the information.

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

Evaluator Notes:

The MPSC has generally complied with the requirements of Part F of this evaluation.

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



PART G - Field Inspections

Points(MAX) Score

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

Name of Operator Inspected:
 Wilmut Gas on 6/12/2013 and Atmos (Ridgeland, MS) on 6/13/2013
 Name of State Inspector(s) Observed:
 Wiley Walker on 6/12/2013 Lyla Carnley and Neil Woods on 6/13/2013
 Location of Inspection:
 Hattiesburg, MS on 6/12/2013 and Ridgeland, MS on 6/13/2013
 Date of Inspection:
 6/12/2013 and 6/13/2013
 Name of PHMSA Representative:
 Don Martin

Evaluator Notes:
 The inspection of Wilmut Gas on 6/12/2013 covered the review of the operator's Operation and Maintenance Manual. Wilmut was recently acquired by Sempra. The inspection on 6/13/2013 involved a records and field inspection of a 12" transmission pipeline operated by Centerpoint Energy.

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

Evaluator Notes:
 Wilmut Gas was notified six weeks prior to the inspection. Wilmut was represented by Bobby Miller, Operations Manager. Centerpoint was notified of the inspection 6 weeks prior to the inspection.

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

Evaluator Notes:
 The inspector used Federal Form 2 dated 5/6/2011 for the 6/12/2013 inspection. The inspectors used Federal Form for gas transmission that was revised for Inspection Assistant.

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

Evaluator Notes:
 The inspectors entered the results of each form question into the inspection form.

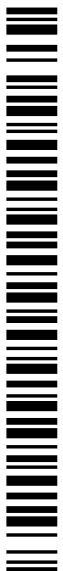
5 Did the inspector check to see if the operator had necessary equipment during inspection to conduct tasks viewed? (Maps, pyrometer, soap spray, CGI, etc.) (F5) 1 1
 Yes = 1 No = 0

Evaluator Notes:
 Operators' test equipment was reviewed during the inspection.

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

- a. Procedures
- b. Records
- c. Field Activities
- d. Other (please comment)

Evaluator Notes:
 The Wilmut Gas inspection covered an review of the operator's Operation and Maintenance Procedure. The Centerpoint inspection involved records review and valve maintenance.



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

Evaluator Notes:

Yes, all inspectors have completed all of the required TnQ training and exhibited good knowledge of the regulations.

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

Evaluator Notes:

Yes. Both inspectors completed exit interviews with the operators.

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

Evaluator Notes:

The inspector for the Wilmut inspection provided amendments for three items needing revision in the operator's Operation and Maintenance Procedures Manual. No probable violations were identified. The inspector for the Centerpoint inspection communicated that no probable violations.

10 General Comments: What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) Other. Info Only Info Only

Info Only = No Points

- a. Abandonment
- 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

Evaluator Notes:

The Wilmut Gas inspection covered all procedures required in 192.605.

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

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PART H - Interstate Agent State (If Applicable)

Points(MAX) Score

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

Evaluator Notes:
The MPSC is not an interstate agent.

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

Evaluator Notes:
The MPSC is not an interstate agent.

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

Evaluator Notes:
The MPSC is not an interstate agent.

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

Evaluator Notes:
The MPSC is not an interstate agent.

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

Evaluator Notes:
The MPSC is not an interstate agent.

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

Evaluator Notes:
The MPSC is not an interstate agent.

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

Evaluator Notes:
The MPSC is not an interstate agent.

8 General Comments: Info OnlyInfo Only
Info Only = No Points

Evaluator Notes:
The MPSC is not an interstate agent.

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



PART I - 60106 Agreement State (If Applicable)

Points(MAX) Score

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

1 NA

Evaluator Notes:

The MPSC does not have a Section 60106(a) agreement.

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

1 NA

Evaluator Notes:

The MPSC does not have a Section 60106(a) agreement.

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

1 NA

Evaluator Notes:

The MPSC does not have a Section 60106(a) agreement.

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

1 NA

Evaluator Notes:

The MPSC does not have a Section 60106(a) agreement.

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

1 NA

Evaluator Notes:

The MPSC does not have a Section 60106(a) agreement.

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

1 NA

Evaluator Notes:

The MPSC does not have a Section 60106(a) agreement.

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

Info Only Info Only

Evaluator Notes:

The MPSC does not have a Section 60106(a) agreement.

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

