



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

1200 New Jersey Avenue SE  
Washington DC 20590

# 2017 Hazardous Liquid State Program Evaluation

for

Alabama Public Service Commission

## 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 -- Accident Investigations
- F -- Damage Prevention
- G -- Field Inspections
- H -- Interstate Agent State (if applicable)
- I -- 60106 Agreement State (if applicable)



2017 Hazardous Liquid State Program Evaluation -- CY 2017  
Hazardous Liquid

**State Agency:** Alabama  
**Agency Status:**  
**Date of Visit:** 04/23/2018 - 05/11/2018  
**Agency Representative:** Wallace Jones - Director, Gas Pipeline Safety Division  
**PHMSA Representative:** Glynn Blanton, US DOT/PHMSA State Evaluator  
**Commission Chairman to whom follow up letter is to be sent:**  
**Name/Title:** Twinkle Andress Cavanaugh, President  
**Agency:** Alabama Public Service Commission  
**Address:** 100 N. Union St., Suite 800  
**City/State/Zip:** Montgomery, Alabama 36104

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

**INSTRUCTIONS:**

Complete this evaluation in accordance with the Procedures for Evaluating State Pipeline Safety Program. The evaluation should generally reflect state program performance during CY 2017 (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**

<b>PARTS</b>	<b>Possible Points</b>	<b>Points Scored</b>
A Progress Report and Program Documentation Review	10	8.5
B Program Inspection Procedures	13	13
C Program Performance	42	42
D Compliance Activities	15	15
E Accident Investigations	4	4
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
<b>TOTALS</b>	<b>104</b>	<b>102.5</b>
<b>State Rating</b> .....		<b>98.6</b>



# 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<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

Evaluator Notes:

A review of Attachment 1 - Stats on Operators found the information correct and all inspection units were inspected in CY2017. No issues of concern.

- |   |                                                                                                                |   |   |
|---|----------------------------------------------------------------------------------------------------------------|---|---|
| 2 | Review of Inspection Days for accuracy - Progress Report Attachment 2<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|----------------------------------------------------------------------------------------------------------------|---|---|

Evaluator Notes:

No issues with Attachment 2. They estimated 48 person days based on three inspectors but only performed 34 which includes 5 drug inspections.

- |   |                                                                                                                                                    |   |   |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| 3 | Accuracy verification of Operators and Operators Inspection Units in State - Progress Report Attachment 3<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

Evaluator Notes:

Attachment 3 is correct and matches attachment 1 with the number of operators. No issues.

- |   |                                                                                                                                                        |   |   |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| 4 | Were all federally reportable incident reports listed and information correct? - Progress Report Attachment 4<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
|---|--------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

Evaluator Notes:

No incidents occurred in CY2017.

- |   |                                                                                                                        |   |     |
|---|------------------------------------------------------------------------------------------------------------------------|---|-----|
| 5 | Accuracy verification of Compliance Activities - Progress Report Attachment 5<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 0.5 |
|---|------------------------------------------------------------------------------------------------------------------------|---|-----|

Evaluator Notes:

Attachment 5 was reviewed and found carryover violations (5) were corrected with violations found during the year (6) resulting in no carryovers at the end of year. However, The number of compliance actions taken against the operators were incorrectly reported as zero. The correct number is three. Program Manager has corrected this information via e-mail to Carrie Winslow on April 25th. Improvement is needed in correctly reporting this data. Therefore, a loss of half point occurred.

- |   |                                                                                                                                   |   |   |
|---|-----------------------------------------------------------------------------------------------------------------------------------|---|---|
| 6 | Were pipeline program files well-organized and accessible? - Progress Report Attachment 6<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|-----------------------------------------------------------------------------------------------------------------------------------|---|---|

Evaluator Notes:

Yes, inspection reports, letters, forms and other pipeline safety information was accessible in the file room and on the main server I drive. All forms used by inspectors are listed in Appendix C in the Pipeline Safety Procedure Manual. No areas of concern.

- |   |                                                                                                                                            |   |   |
|---|--------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| 7 | Was employee listing and completed training accurate and complete? - Progress Report Attachment 7<br>Yes = 1 No = 0 Needs Improvement = .5 | 1 | 0 |
|---|--------------------------------------------------------------------------------------------------------------------------------------------|---|---|

Evaluator Notes:

A review of SABA and information from Program Manager via email to Don Martin on April 2, 2018 determined one inspector was incorrectly listed as a category III. The correct category is II because the individual has completed all core courses, three years of experience with AL PSC and several years experience with the natural gas industry. Therefore, a loss of one point occurred. A supplemental submission correcting this attachment was performed by Carrie Winslow on April 2, 2018.



**8** Verification of Part 195,198,199 Rules and Amendments - Progress Report Attachment 8 1 1  
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

AL PSC has automatic adoption of federal rules and regulations. AL PSC civil penalty amounts are \$200,000/\$2 M.

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

Evaluator Notes:

Excellent description of planned and past performance was provided in attachment 10. No issues of concern.

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**10** General Comments: Info Only Info Only  
Info Only = No Points

Evaluator Notes:

A loss of one point occurred in question A.7.

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Total points scored for this section: 8.5  
Total possible points for this section: 10



## PART B - Program Inspection Procedures

Points(MAX) Score

- |   |                                                                                                                                                                                                                                                                                    |   |   |
|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| 1 | Standard Inspection procedures should give guidance to state inspectors that insure consistency in all inspections conducted by the state? The following elements should be addressed at a minimum - pre-inspection activities, inspection activities, post-inspection activities. | 2 | 2 |
|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

Yes = 2 No = 0 Needs Improvement = 1

**Evaluator Notes:**

A review of Alabama Pipeline Safety Program Operations Plan dated March 6, 2018 found this item listed on pages 12-15, Section V. Conducting Inspections: Sub-Sections A-G.

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- |   |                                                                                                                                                                                                                                                                               |   |   |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| 2 | IMP Inspection procedures should give guidance to state inspectors that insure consistency in all inspections conducted by the state? The following elements should be addressed at a minimum - pre-inspection activities, inspection activities, post-inspection activities. | 1 | 1 |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

Yes = 1 No = 0 Needs Improvement = .5

**Evaluator Notes:**

A review of Alabama Pipeline Safety Program Operations Plan dated March 6, 2018 found this item listed on pages 18-19, Section V. Conducting Inspections: Sub-Sections N & P.

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- |   |                                                                                                                                                                                                                                                                              |   |   |
|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| 3 | OQ Inspection procedures should give guidance to state inspectors that insure consistency in all inspections conducted by the state? The following elements should be addressed at a minimum - pre-inspection activities, inspection activities, post-inspection activities. | 1 | 1 |
|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

Yes = 1 No = 0 Needs Improvement = .5

**Evaluator Notes:**

A review of Alabama Pipeline Safety Program Operations Plan dated March 6, 2018 found this item listed on pages 17, Section I. Training & Operator Qualifications. No areas of concern.

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- |   |                                                                                                                                                                                                                                                                                             |   |   |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| 4 | Damage Prevention Inspection procedures should give guidance to state inspectors that insure consistency in all inspections conducted by the state? The following elements should be addressed at a minimum - pre-inspection activities, inspection activities, post-inspection activities. | 1 | 1 |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

Yes = 1 No = 0 Needs Improvement = .5

**Evaluator Notes:**

A review of Alabama Pipeline Safety Program Operations Plan dated March 6, 2018 found this item listed on pages 18, Section M Damage Prevention Activities. No areas of concern.

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- |   |                                                                                            |   |   |
|---|--------------------------------------------------------------------------------------------|---|---|
| 5 | Any operator training conducted should be outlined and appropriately documented as needed. | 1 | 1 |
|---|--------------------------------------------------------------------------------------------|---|---|

Yes = 1 No = 0 Needs Improvement = .5

**Evaluator Notes:**

A review of Alabama Pipeline Safety Program Operations Plan dated March 6, 2018 found this item listed on pages 18, Operator Training. Information listed does not match PHMSA Guidelines and this item was discussed with Program Manager. It was agreed to update this information in future revisions of the procedures.

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- |   |                                                                                                                                                                                                                                                                                        |   |   |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| 6 | Construction Inspection procedures should give guidance to state inspectors that insure consistency in all inspections conducted by the state? The following elements should be addressed at a minimum - pre-inspection activities, inspection activities, post-inspection activities. | 1 | 1 |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

Yes = 1 No = 0 Needs Improvement = .5

**Evaluator Notes:**

A review of Alabama Pipeline Safety Program Operations Plan dated March 6, 2018 found this item listed on pages 15-17, Section V, Subsection H. They use their state form for all construction. The operator is required to file a construction notification to the agency prior to construction work being performed.

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- 7 Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements? 6 6  
 Yes = 6 No = 0 Needs Improvement = 1-5
- a. Length of time since last inspection (Within five year interval) Yes  No  Needs Improvement
  - b. Operating history of operator/unit and/or location (includes leakage, incident and compliance activities) Yes  No  Needs Improvement
  - c. Type of activity being undertaken by operators (i.e. construction) Yes  No  Needs Improvement
  - d. Locations of operators inspection units being inspected - (HCA's, Geographic area, Population Density, etc) Yes  No  Needs Improvement
  - 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:

A review of Alabama Pipeline Safety Program Operations Plan dated March 6, 2018 found these items listed in Appendix D - Risk Management Assessments. The elements of risk were listed separately and ranked on pages 34-35. All inspection units were broken down correctly and no areas of concerns found.

8 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

No loss of points occurred in this section of the review.

Total points scored for this section: 13  
 Total possible points for this section: 13



# 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 5 5  
 Yes = 5 No = 0
- A. Total Inspection Person Days (Attachment 2):  
 29.00
- B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):  
 220 X 0.07 = 15.03
- Ratio: A / B  
 29.00 / 15.03 = 1.93
- If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0  
 Points = 5

Evaluator Notes:

- A. Total Inspection Person Days (Attachment 2)= 29  
 B. Total Inspection Person Days Charged to the program(220\*Number of Inspection person years(Attachment 7)=15.03326  
 Formula:- Ratio = A/B = 29/15.03326 = 1.93  
 Rule:- (If Ratio >=.38 then points = 5 else Points = 0.)  
 Thus Points = 5

- 2** Has each inspector and program manager fulfilled the T Q Training Requirements? (See Guidelines Appendix C for requirements) Chapter 4.4 5 5  
 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 IMP Training before conducting inspection as lead? Yes  No  Needs Improvement
- c. Root Cause Training by at least one inspector/prgram manager Yes  No  Needs Improvement
- d. Note any outside training completed Yes  No  Needs Improvement
- e. Verify inspector has obtained minimum qualifications to lead any applicable standard inspection as the lead inspector. Yes  No  Needs Improvement

Evaluator Notes:

- a. Yes, seven inspectors which includes the Program Manager have completed all required liquid courses and meet the liquid inspector training requirements. Three inspectors have additional courses to take at TQ courses in CY2018.  
 b. Yes, eight inspectors which includes the Program Manager have completed all required IMP training courses.  
 c. Yes, three inspectors which includes the Program Manager have completed the root cause course.  
 d. Yes, several inspectors have HAZWOPER Certifications.  
 e. Yes, a review of SABA confirm 9 of the 10 inspectors are qualified to perform a standard inspection as the lead.

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

Evaluator Notes:

Yes, Wallace Jones has a good understanding of the requirements of the pipeline safety program. He has completed all TQ courses within three years of employment for both the natural gas and hazardous liquid programs. He has over forty years of natural gas experience and been a Program Manager for ten years.

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

Evaluator Notes:

Yes, Chairman Cavanaugh response letter to Zach Barrett was sent on February 8, 2018 and within the required 60 days time frame. No areas of concern.

- 5** Did State conduct or participate in pipeline safety training session or seminar in Past 3 Years? Chapter 8.5 1 1

Yes = 1 No = 0

Evaluator Notes:

Yes, AL PSC conducts an annual seminar each year. The last seminar was held in Montgomery, AL on December 5-7, 2017. The number of attendees were three hundred and fifty representatives which included the hazardous liquid operator individuals.

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

Evaluator Notes:

Yes, all HL operators were inspected in accordance to Alabama Pipeline Safety Program Operations Plan. A review of files and I drive confirm these inspections were completed. No areas of concern.

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**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 2 2  
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, AL PSC uses the federal and state inspection forms to cover all applicable code sections. The Alabama Liquids Field Evaluation Report is used for two years and then they use PHMSA ? Standard Inspection Report of a Liquid Pipeline Carrier form. A review of files and inspection reports found all portions of the forms were completed with a check mark or comment provided beside each question.

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**8** 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)? 1 1  
Yes = 1 No = 0

Evaluator Notes:

Yes, this is covered on the Alabama Liquid Field Evaluation Report form item numbers 2 a thru d.

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**9** Has the state reviewed Operator Annual reports, along with Incident/Accident reports, for accuracy and analyzed data for trends and operator issues? 2 2  
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, operator's annual reports are reviewed by Program Manager and data that is found incorrect is corrected by the operator. After corrections are made the annual report information is entered into a rank risk spreadsheet maintained by the Administrative Assistant that is used to determine inspection audits.

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

Evaluator Notes:

Yes, this item is covered on the Alabama Liquid Field Evaluation Report form question 5 b. No areas of concern.

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**11** 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 2 2  
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, the AL PSC reviews the operator's drug & alcohol program along with the test required by the regulations during the Liquid Field Evaluation Inspection. An additional checklist is used to check the positive tests requirements. In CY2017, five drug & alcohol inspections were performed.

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- 12** 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 195 Part G  
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, a review of files found OQ programs have been inspected on each operator. AL PSC uses the federal form Protocol 9 to check and verify the programs.

- 13** Is state verifying operator's hazardous liquid integrity management (L IMP) Programs are up to date? This should include a previous review of LIMP 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). (Are the State's largest operators programs being contacted or reviewed annually? Are replies to Operator IM notifications addressed? (formerly part of Question C-10)). 49 CFR 195.452 Appendix C  
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, AL PSC is verifying the gas transmission integrity program using the Alabama Liquid Field Evaluation Inspection form. A review of LIMP plan, along with test and action taken by the operator are discussed and reviewed when completing question 30 in the form. Yes, the state's largest operator program is reviewed annually. A check of files found Hunt Refining was inspected in September 2017.

- 14** 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. PAPEI Effectiveness Inspections should be conducted every four years by operators. 49 CFR 195.440  
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, ten PAPEI inspections were conducted in CY2017. The second round of inspections will start in CY2018.

- 15** 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).  
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, this is accomplished by attending the Alabama Natural Gas Association meetings and providing information on the commission's website.

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

Evaluator Notes:

No safety related condition reports were submitted in CY2017.

- 17** Did the state participate in/respond to surveys or information requests from NAPS or PHMSA?  
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Yes, a review of emails from Robert Clarillos to Wallace Jones confirmed participation in surveys from NAPS and PHMSA did occur in CY2017.

- 18** If the State has issued any waivers/special permits for any operator, has the state verified conditions of those waivers/special permits are being met? This should include having the operator amend procedures where appropriate.  
Needs Improvement = .5 No = 0 Yes = 1

Evaluator Notes:

Yes. The active waiver issued in 2009 to Alabama Gas Corp for un-odorized gas to be delivered to Hunt Oil Corp continues

to be monitored. The waiver issued in 2015 to Exxon-Mobil pertaining to installation of new reinforced thermoplastic pipe (RTP) is also being monitored by AL PSC during their normal inspection audits.

- 
- 19** Did the state attend the National NAPS Board of Directors Meeting in CY being evaluated? 1 1  
Needs Improvement = .5 No = 0 Yes = 1

Evaluator Notes:

Yes, Wallace Jones, Judy Ramsey and Greg Meadows attended the NAPS Board of Directors Meeting in Columbus, OH on September 25-29, 2017.

- 
- 20** Discussion on State Program Performance Metrics found on Stakeholder Communication site ? <http://primis.phmsa.dot.gov/comm/states.htm> 2 2  
Needs Improvement = 1 No = 0 Yes = 2

- a. Discussion of Potential Accelerated Actions (AA's) based on any negative trends Yes  No  Needs Improvement
- b. NTSB P-11-20 Meaningful Metrics Yes  No  Needs Improvement

Evaluator Notes:

a & b. Reviewed with Program Manager the number of damages per 1,000 tickets listed on the annual reports along with other action pertaining to AA on cast iron replacement programs. In CY2017 a downward trend on damages occurred resulting in the number of damages per 1000 locates to a lower number 3.176. Total number of locate requests were up to 567,499 with enforcement action on damages being taken by the Attorney General office. The AG has prosecuted one gas operator and several cable companies. The number of excavation leaks is showing a downward trend due to the cast iron replacement program initiatives. The number of inspection days is trending upward due to having a full staff of inspectors.

- 
- 21** Discussion with State on accuracy of inspection day information submitted into State Inspection Day Calculation Tool (SICT) Has the State updated SICT data? 1 1  
No = 0 Yes = 1

Evaluator Notes:

Discussed with program manager the accuracy of information submitted into SICT for the AL PSC HL program. In the discussion it was determined the number of inspection person days may be to high and consideration to lowering the number will be made when SICT is open in CY2018.

- 
- 22** Did the State verify Operators took appropriate action regarding Pipeline Flow Reversals, Product Changes and Conversions to Service? See ADP-2014-04 1 1  
Needs Improvement = .5 No = 0 Yes = 1

Evaluator Notes:

The program manager is unaware of any pipeline flow reversals, product changes and conversion to service on the HL pipelines. However, this item will be discussed with the operators during the CY2018 inspection audits.

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

Evaluator Notes:

No loss of points occurred on this section of the review.

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Total points scored for this section: 42  
Total possible points for this section: 42

## 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<br>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"/> |
| c. | Procedures regarding closing outstanding probable violations                                                                                                                         | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |

Evaluator Notes:

- a. This information is listed in Alabama Public Service Commission procedure manual in Section S. Notices of Probable Violations pages 19-20.
- b. This information is listed under section U. Notice of Probable Violation Tracking, pages 21-22
- c. This information is listed under section V. Removal or Correction of a Probable Violation, pages 22-23

- |    |                                                                                                                                                                                                                                                                      |                                      |                                                                  |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|------------------------------------------------------------------|
| 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<br>Yes = 4 No = 0 Needs Improvement = 1-3 | 4                                    | 4                                                                |
| a. | Were compliance actions sent to company officer or manager/board director if municipal/government system?                                                                                                                                                            | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| b. | Document probable violations                                                                                                                                                                                                                                         | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| c. | Resolve probable violations                                                                                                                                                                                                                                          | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| d. | Routinely review progress of probable violations                                                                                                                                                                                                                     | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| e. | Within 30 days, conduct a post-inspection briefing with the owner or operator of the gas or hazardous liquid pipeline facility inspected outlining any concerns; and                                                                                                 | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| f. | Within 90 days, to the extent practicable, provide the owner or operator with written preliminary findings of the inspection.                                                                                                                                        | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |

Evaluator Notes:

- a. Yes, reviewed files and inspection reports and found letters were being sent to the company officer of the private companies, mayor/ superintendent of municipality systems and director/manager of housing authorities. A review of contact names of the individuals on the operator's list was current as of March 19, 2018.
- b. Yes, a review of files found fifty-one operators that were cited for Notice of Probable Violations. Reviewed inspection reports and found violations were documented correctly.
- c. Yes, violations were resolved by a follow-up inspection or additional information being filed by the operator to the agency.
- d. Yes, Program Manager/Administrative Assistant review on a quarterly schedule all violations. Information about the status of the information is sent to the affected inspector to perform a follow-up inspection.
- e. An exit interview is conducted immediately after the inspection with the operator. Information about areas of concerns or potential violations are shared with the operator's representatives. This item is described in AL PSC Procedures manual on page 17.
- f. All Notice of Probable Violations letters are provided to the operator about their findings within 90 days of the date of the inspection.

- |   |                                                                                                                        |   |   |
|---|------------------------------------------------------------------------------------------------------------------------|---|---|
| 3 | Did the state issue compliance actions for all probable violations discovered?<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|------------------------------------------------------------------------------------------------------------------------|---|---|

Evaluator Notes:

Yes, a review of files and inspection reports found three NOPV's were issued in CY2017.

- |   |                                                                                                                                   |   |   |
|---|-----------------------------------------------------------------------------------------------------------------------------------|---|---|
| 4 | Did compliance actions give reasonable due process to all parties? Including "show cause" hearing if necessary.<br>Yes = 2 No = 0 | 2 | 2 |
|---|-----------------------------------------------------------------------------------------------------------------------------------|---|---|

Evaluator Notes:

Yes, no show cause hearings were necessary due to the operators agreeing to correct the violations. Additionally, AL PSC

rules allow the operator an opportunity to argue their position as to whether a probable violation occurred or request a "show cause" hearing before a presiding officer or the commission.

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

Evaluator Notes:

Yes, the program manager is familiar with imposing civil penalties and assessed a civil penalty against a master metered operator four years ago. Additionally, on page 21 of AL PSC procedure manual it identifies a criteria to use in determining the level of fine.

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

Evaluator Notes:

Yes, a civil penalty was assessed against a Air Base Inn, a master metered operator in CY 20017.

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

Evaluator Notes:

No loss of points occurred on this section of the review.

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



# PART E - Accident Investigations

Points(MAX) Score

- 1 Does the state have written procedures to address state actions in the event of an incident/accident? 2 2  
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Yes, a review of Alabama Pipeline Safety Program Operations Plan dated March 6, 2018 found this item listed on pages 24-28, VI. Investigation of Incidents.

- 2 Does state have adequate mechanism to receive and respond to operator reports of accidents, including after-hours reports? And did state keep adequate records of Incident/Accident notifications received? Chapter 6 2 2  
Yes = 2 No = 0 Needs Improvement = 1

- a. Acknowledgement of MOU between NTSB and PHMSA (Appendix D) Yes  No  Needs Improvement   
b. Acknowledgement of Federal/State Cooperation in case of incident/accident (Appendix E) Yes  No  Needs Improvement

Evaluator Notes:

Yes, according to Alabama PSC's GPS Rule #9, the pipeline operator is required to give telephonic notice of all incidents by calling (334) 242-5778 to report incidents during normal business hours of 8:00 AM to 5:00 PM. After hours, the operator is required to call the Pipeline Safety Investigator assigned to or located in the operator's region of the state (North, Central or South Alabama). Yes, AL PSC is maintaining adequate records of all notifications received. No reportable incidents occurred in CY2017.

a & b. Yes, program manager is familiar with Appendix D & E and included the documents in AL PSC procedure manual.

- 3 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 1 NA  
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

No incidents occurred in CY2017.

- 4 Were all accidents investigated, thoroughly documented, and with conclusions and recommendations? 3 NA  
Yes = 3 No = 0 Needs Improvement = 1-2

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

Evaluator Notes:

No incidents occurred in CY2017.

- 5 Did the state initiate compliance action for violations found during any incident/accident investigation? 1 NA  
Yes = 1 No = 0

Evaluator Notes:

No incidents occurred in CY2017.

- 6 Did the state assist Region Office or Accident Investigation Division (AID) by taking appropriate follow-up actions related to the operator accident 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 1 NA  
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

No incidents occurred in CY2017.

---

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

Evaluator Notes:

No incidents occurred in CY2017.

---

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

Evaluator Notes:

No loss of points occurred in this section of the review.

---

Total points scored for this section: 4  
Total possible points for this section: 4



**PART F - Damage Prevention**

**Points(MAX) Score**

- |          |                                                                                                                                                                                                                                                                                           |   |   |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| <b>1</b> | 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?<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

**Evaluator Notes:**

Yes, this is reviewed during an onsite construction inspection with the operator and construction supervisor. It is also checked during the standard inspection of the operator's O & M Plan. This item is checked on the construction inspection checklist form. This is item 30 on the form.

- |          |                                                                                                                                                                                                                                                            |   |   |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| <b>2</b> | Did the state inspector verify pipeline operators are following their written procedures pertaining to notification of excavation, marking, positive response and the availability and use of the one call system?<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

**Evaluator Notes:**

Yes, this is check on the construction inspection checklist form. This is item 31 on the form.

- |          |                                                                                                                                                                                                                                                                            |   |   |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| <b>3</b> | 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.)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

**Evaluator Notes:**

Program Manger continues to participate in the Alabama Damage Prevention Alliance, Alabama Damage Prevention Summit, support the 811 promulgation signed by Governor, and used the one call grant to support the 811 April safe digging month.

- |          |                                                                                                                                                                                                                                                                                            |   |   |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|
| <b>4</b> | 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)<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|

**Evaluator Notes:**

Yes, the program manager collects the data and evaluates the trends on the number of pipeline damages per 1,000 locate request each year. This information is presented at the NAPSRS Southern region meeting and other information meetings in discussing damage prevention.

- |          |                                            |           |           |
|----------|--------------------------------------------|-----------|-----------|
| <b>5</b> | General Comments:<br>Info Only = No Points | Info Only | Info Only |
|----------|--------------------------------------------|-----------|-----------|

**Evaluator Notes:**

No loss of points occurred in this section of the review.

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:  
 Buckeye Partners, L.P.  
 Name of State Inspector(s) Observed:  
 Jonathan Kimbril, Gas Pipeline Safety Investigator  
 Location of Inspection:  
 Birmingham, AL  
 Date of Inspection:  
 May 8, 2018  
 Name of PHMSA Representative:  
 Glynn Blanton, State

Evaluator Notes:  
 Buckeye Partners is considered an Intrastate Refined Petroleum Products operator located in Birmingham, AL and other areas outside of AL. Previously this facility was owned by BP Oil Company. The facility is a storage facility for gasoline and diesel fuel. During the inspection the following two company employees participated in the audit. Mark Copeland, Compliance Specialist and Mike Wirfs, Senior Corrosion Specialist.

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

Evaluator Notes:  
 Yes, the operator was notified by Judy Ramsey, Gas Pipeline Safety Investigator, on February 12, 2018.

**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) 2 2  
 Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:  
 Yes, Jonathan Kimbril, Gas Pipeline Safety Investigator, used the APSC Liquid Field Evaluation Report and Drug Program Checklist forms.

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

Evaluator Notes:  
 Yes, Jonathan Kimbril recorded all responses from the operator pertaining to questions on Part 195 into the form. Observed a detailed discussion about the questions and responses that assisted the operator in understanding compliance issues. A drill down on the operator's operation and maintenance plan was also observed.

**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) 1 1  
 Yes = 1 No = 0

Evaluator Notes:  
 Yes, Buckeye Partners officials provided information on their procedures, drug testing and equipment maintenance records.

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

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

Evaluator Notes:



Yes, good note taking and conversation about compliance with Part 195 was observed between the inspector and operator officials. An in-depth review of the operation and emergency plan along with the drug program was conducted.

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

**Evaluator Notes:**

Yes, Jonathan Kimbril has completed all mandatory TQ training courses for a Liquid Standard Inspector. Additionally, he has over nine years of experience in pipeline safety compliance work.

**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) 1 1  
 Yes = 1 No = 0

**Evaluator Notes:**

Yes, the inspector conducted a exit interview with the company officials prior to the field inspection pertaining to the office records reviewed.

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

**Evaluator Notes:**

No probable violations were found during this audit. However, an area of concern discussed with the operator was the effective review of the results of the CY2014 PAPEI.

**10** General Comments: 1) What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) 2) Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) 3) 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 field inspection consisted of a review of the cathodic protection and right a way on the 1.98 miles of 12 inch steel pipeline that runs parallel to the CSX Railroad company track.

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



**PART H - Interstate Agent State (if applicable)**

**Points(MAX) Score**

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

**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.) 1 NA  
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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)? 1 NA  
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

Evaluator Notes:

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

