



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

1200 New Jersey Avenue SE
Washington DC 20590

2013 Hazardous Liquid State Program Evaluation

for

Louisiana Department of Natural Resources

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)

2013 Hazardous Liquid State Program Evaluation -- CY 2013
Hazardous Liquid

State Agency: Louisiana
Agency Status:
Date of Visit: 06/25/2014 - 08/15/2014
Agency Representative: James Mergist, Director Pipeline Division
PHMSA Representative: Patrick Gaume
Commission Chairman to whom follow up letter is to be sent:
Name/Title: James H. Welsh, Commissioner
Agency: Louisiana Department of Natural Resources-Office of Conservation
Address: 617 North Third St., 9th floor
City/State/Zip: Baton Rouge, Louisiana 70802

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 2013 (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	10
B Program Inspection Procedures	15	15
C Program Performance	43	40
D Compliance Activities	15	15
E Accident Investigations	9	9
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	112	109
State Rating		97.3

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) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: A1. Yes. Jurisdictional authority is correctly reported.			
2	Review of Inspection Days for accuracy - Progress Report Attachment 2 (A1b) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: A2. YES. 269 man-days. The report matches internal source spreadsheets.			
3	Accuracy verification of Operators and Operators Inspection Units in State - Progress Report Attachment 3 (A1c) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: A3. YES. Attachment 3 is consistent with Attachment 1 and the internal spreadsheet.			
4	Were all federally reportable incident reports listed and information correct? - Progress Report Attachment 4 (A1d) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: A4. YES. The five accidents (5 significant) are verified.			
5	Accuracy verification of Compliance Activities - Progress Report Attachment 5 (A1e) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: A5. YES. The report is consistent with the prior year and internal worksheets.			
6	Were pipeline program files well-organized and accessible? - Progress Report Attachment 6 (A1f, A4) Yes = 2 No = 0 Needs Improvement = 1	2	2
Evaluator Notes: A6. YES. The official files are still paper for most things, but all inspections of the last 5 years are electronic. Necessary information is printed out and placed in the citation file. Citations and historical files will need to be scanned and imported into the electronic database at a future date when the electronic files become the official files.			
7	Was employee listing and completed training accurate and complete? - Progress Report Attachment 7 (A1g) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: A7. Yes.			
8	Verification of Part 195,198,199 Rules and Amendments - Progress Report Attachment 8 (A1h) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: A8. Yes.			

- 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:

A9. YES. In 2013 LDNR is active on four NAPSRS Committees. LDNR continues to provide associate staff to TQ. LDNR enforces current Federal Regulations and provides technical information to the LA Legislature to make changes as needed in State Laws. LDNR will complete PAPEE inspections. LDNR will complete the first round of DIMP inspections in 2014. LDNR will continue to perform the next round of OQ inspections. LDNR will continue to perform standard inspections per their five year rotation schedule. LDNR will investigate to conclusion all reportable incidents. LDNR will continue to work with the Louisiana Common Ground Alliance to collect data from their Virtual Dirt program.

10 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

A10. YES. In 2013 LDNR is active on four NAPSRS Committees. LDNR continues to provide associate staff to TQ. LDNR enforces current Federal Regulations and provides technical information to the LA Legislature to make changes as needed in State Laws. LDNR has helped create and works closely with the LA Common Ground Alliance and has established a working relationship with the State Police to encourage the use and enforcement of excavation damage violations.

Yes; Risk Reduction: The Pipeline Division works closely with the State Police and LA One Call to improve compliance with the one call law and enforcement efforts as well as with the LA Regional CGA to enhance the one call law. In addition, the Pipeline Division's goal of visiting 100% of operators with some type of inspection annually results in increased visibility throughout the state which enhances our public safety efforts. LDNR continues to be very active in NAPSRS; by actively participating on four committees: Public Awareness, Grant Allocation & Strategic Planning; the Gathering Line, and Control Room Management committees. They also support NAPSRS and PHMSA requests for information. LDNR actively participates in the quarterly Louisiana Regional Common ground alliance meetings. LDNR participates with and supports the efforts of Coastal And Marine Operators (CAMO) Pipeline Industry Initiative whose main purpose is to explore and discuss issues and challenges in preventing spills, releases, and damage to coastal and marine pipelines and environments. LDNR helps organize and co-sponsors the annual Pipeline Safety Seminars for Hazardous Liquid and Natural Gas operators. LDNR works closely with the State Police and LaOneCall to promote 811 and implement safe excavation practices.

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

PART B - Program Inspection Procedures

Points(MAX) Score

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

B1. Yes, all are addressed: Pipeline Safety Operations Manual, General Criteria Section, Section 6: Part 2.1.1- PAPEE by 12/31/2013 & DIMP by 12/31/14 & then every 5 calendar years thereafter; Part 2.1.2-Standard Inspections on a 5 yr. inspection cycle; Part 2.1.3-LIMP HQ re-inspections by end of 2014 & then every 5 calendar years thereafter; Part 2.1.4-OQ HQ re-inspections by end of 2015 & then every 5 calendar years thereafter; Part 2.1.5-D&A re-inspections by end of 2014 & then every 5 calendar years thereafter; Part 2.1.6- TIMP HQ re-inspections were completed in 2012 and then every 5 calendar years thereafter; Part 4.1-Constr- construction notice is required and inspection is 'as needed' with actual practice to concentrate on major construction sites; Part 4.2-Operator Training-formal is per oper requests, Seminars, & conferences, informal is during any operator contact or inspection as requested; Part 4.5-accident- as determined by the Program Manager and generally includes all significant events; Part 4.6-Damage Prevention- is part of a Std insp; Part 4.7-Follow-up (re-inspections)? within a reasonable amount of time (normally about 90 days) after the expiration of the time allowed to achieve compliance.

2	IMP Inspections (B1b) Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:

B2. Yes, Pipeline Safety Operations Manual, General Criteria Section, Section 6: Part 2.1.1- PAPEE by 12/31/2013 & DIMP by 12/31/14 & then every 5 calendar years thereafter; Part 2.1.3-LIMP HQ re-inspections by end of 2014 & then every 5 calendar years thereafter; Part 2.1.6- TIMP HQ re-inspections were completed in 2012 and then every 5 calendar years thereafter.

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

B3. Yes, Pipeline Safety Operations Manual, General Criteria Section, Section 6: Part 2.1.4-OQ HQ re-inspections by end of 2015 & then every 5 calendar years thereafter.

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

B4. Yes, Pipeline Safety Operations Manual, General Criteria Section, Section 6: Part 4.6-Damage Prevention- is part of a Std insp.

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

B5. Yes, Pipeline Safety Operations Manual, General Criteria Section, Section 6: Part 4.2-Operator Training-formal is per oper requests, Seminars, & conferences, informal is during any operator contact or inspection as requested.

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

B6. Yes, Pipeline Safety Operations Manual, General Criteria Section, Section 6: Part 4.1-Constr- construction notice is required and inspection is 'as needed' with actual practice to concentrate on major construction sites.

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

B7. Yes, Pipeline Safety Operations Manual, General Criteria Section, Section 6: Part 4.5-accident- as determined by the Program Manager and generally includes all significant events.

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) Yes = 6 No = 0 Needs Improvement = 1-5	6	6
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 area, 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 <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>
f.	Are inspection units broken down appropriately?	Yes <input checked="" type="radio"/>	No <input type="radio"/> Needs Improvement <input type="radio"/>

Evaluator Notes:

B8. Yes, Pipeline Safety Operations Manual, General Criteria Section, Section 6: Part 2.0 & Part 3.2. Also the 'Gas Operator Prioritization Model' & 'Liquid Operator Prioritization Model' spreadsheets.

The Gas Operator & Liquid Operator prioritization risk model spreadsheets have been developed (originally from IMP) that are being adapted to all Operators. The model spreadsheets impact the areas of emphasis during the annual inspections. Elements include compliance issues, accidents, leaks, product transported, population density, MAOP as a % of SMYS, total miles of pipeline, corrosion control, & operator responsiveness.

Units are created by Operator, pipe location, Operator management unit, etc.
The risking program has been in use since IMP.

9	General Comments: Info Only = No Points	Info Only	Info Only
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Evaluator Notes:

B9. LDNR is dedicated to being transparent, is making data easily available to the public, is committed to data evaluation for self-improvement, understands the emphasis on accident/incident investigations, and has scheduled its personnel for training beyond what is provided by PHMSA T&Q. LDNR's goal of achieving 100% HL Unit inspections per year, either Std or special, was missed in 2013 (at 81%) due to emphasis on the PAPEI inspections, the training of two new inspectors, and that 3 senior inspectors retired/resigned. LDNR continues to actively support the Louisiana Common Ground Alliance. LDNR continues to make personnel available to support NAPS and PHMSA initiatives.

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

PART C - Program Performance

Points(MAX) Score

- 1** Was ratio of Total Inspection person-days to total person days acceptable? 5 5
 Yes = 5 No = 0
 A. Total Inspection Person Days (Attachment 2):
 269.00
 B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
 220 X 3.10 = 682.92
 Ratio: A / B
 269.00 / 682.92 = 0.39
 If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0
 Points = 5

Evaluator Notes:

C1. Yes.269 AFO insp-days, 3.10 insp-yrs. $864/(8.40*220)=0.394$. $.394>.38$. okay.

- 2** Has each inspector and program fulfilled the T Q Training Requirements? (See Guidelines for requirements) Chapter 4.4 (A8-A11, G19) 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

Evaluator Notes:

C2. YES. for 2013 they are in compliance with the State Guidelines with the 3 yr. attend & 5 yr. complete rule for new staff.

State training- Most inspectors attend the annual 195 Seminar & the 192 Seminar. In addition, several staff attended the 8 hr. LSU HAZWOPER REFRESHER COURSE. Some new hires are taking the La Gas Assn one day Seminars on pipe joining, line locating, first aid, leak detection, fire safety, & regulator equipment.

Operator training ? Held the annual T&Q Pipeline Safety Seminar. There were also several individual operator training sessions, usually associated with an inspection.

Non-operator/public training? no activities in 2010, 2011, 2012, or 2013.

Dana Arabie (TSI 299 11/03) & Jacques Rotolo (TSI 299 9/04) were the OQ Leads in 2013. Both have left State service by early 2014. For 2014, One other inspectors & two Supervisors are OQ certified.

IMP Leads were Dana Arabie (TSI 297 6/05, TSI 294 8/02, CBT are completed) & Jacques Rotolo (TSI 297 4/06, TSI 294 7/04, CBT are completed) in 2013. IMP inspections are on hold for 2014 waiting on certifying new Lead Inspectors.

- 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:

C3. YES. The Program Manager & records review show a professional knowledge of the regulations.

- 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:

C4. Yes, 12/4/13 sent, 2/4/14 reply, add a few days for mail delivery & severe ice storm office closing; okay. Both items were addressed, 1 of the items, civil penalties to be substantially the same, require legislative support and that support is proving difficult to find.

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

Evaluator Notes:

C5. Yes, in the July 22nd week, 2013, in the July 23th week, 2012, 3rd week of July 2011, 3rd week of July 2010 & the 2nd week of July 2009. Practice is to schedule every year over the last week of July. The 2014 Seminar was held the week of July 21st, 2014.

6	Did state inspect all types of operators and inspection units in accordance with time intervals established in written procedures? Chapter 5.1 (B3) Yes = 5 No = 0 Needs Improvement = 1-4	5	2
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Evaluator Notes:

C6. NI 2 of 5 pts. 4 IMP inspections (3 HL & 1 NG) were missed in 2013 and all of the IMP inspections scheduled for 2014 will be rescheduled for 2015-2017. Dana & Jacques are greatly missed. Guidance concerning the start of CRM inspections has not been received and they have been postponed in favor of PAPEI & DIMP. Several D&A have missed the 5 yr. re-inspection interval for the Long Form. Several OQ inspections were missed or not completed. Operations Manual Guidelines are incorporated and Units are tracked through a spread sheet program which tracks Std and special inspections, IM, OQ, PAP, CRM, & D&A.

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:

C7. YES. the LDNR Forms for OQ, IMP, & Standard inspections are created from the current Federal Forms. Reviewed the closed incident & accident reports: 20130051, 20130081, 20130006, 20130042, 20130033, 20130209, 20130197, 20130132, 20130266, 20130022, 20130079, 20130126, &20130251; all okay. Reviewed the following inspections:

- Dana Arabie-GIMP-39089, Chroma Operating, Inc., okay
- Dana Arabie-GIMP-39389, Enterprise Products Operating LLC., okay
- Jacques Rotolo-OQ-42673, Valero Refining, page 2 was missed and section 7.01 lacked detail. The inspection could be defended with local knowledge; Okay enough.
- Jacques Rotolo-OQ-43991, Chesapeake Midstream, okay.
- Wayne Leger & Brian Flores-Special Standard-44289, Town of Mamou, gas loss concern from newspaper & citizen request, several PV identified, okay.
- Paul Arabie-PAPEI-42729&42730, Boardwalk Louisiana Midstream (HL&NG), aka Petrologistics olefins, LLC opid 20160, violations found & fines assessed. okay
- Mark Champagne-Construction-42769, Crosstex LIG, to replace pipe lost to a sinkhole in Assumption Parish. Okay.
- Tina Guilliams-Standard-CLEPCO, 39490, Letter of Warning, okay.
- Walter Blocker-Standard-MM-42389-East LA Mental Health/Forensic Division, Several PV & \$1000 Fine, okay.
- Ronald Day-PAPEI-41329-Town of Chatham, many PV & \$1250 Fine. Okay.
- Jamie Burns-MM-Standard-LDHH-North support & Service Center; 42929, one PV & a Corrective Action Order. Okay.
- Jason Cole-Standard-38931, Town of Hornbeck, okay.
- Dana Arabie-LIMP-39390, Promix/Enterprise., okay
- Ronald Day-Incident (Gas Gathering)-34329, okay.

8	Did the state review operator procedures for determining areas of active corrosion on liquid lines in sufficient detail? (NOTE: PHMSA representative to describe state criteria for determining areas of active corrosion) (B7) Yes = 1 No = 0	1	1
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Evaluator Notes:

C8. Yes, it is in the Haz Liq Std Inspection Form. See subpart H, 195.589(c), 195.573(b).

9	Did the state adequately review for compliance operator procedures for abandoning pipeline facilities and analyzing pipeline accidents to determine their causes? (NOTE: PHMSA representative to describe state criteria for determining compliance with abandoning pipeline facilities and analyzing pipeline accidents to determine their causes) (B8) Yes = 1 No = 0	1	1
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Evaluator Notes:

C9. Yes. it is in the Haz Liq Std Inspection Form. 195.402(c)(10), 195.402(c)(5).

10	Is the state aware of environmentally sensitive areas traversed by or adjacent to hazardous liquid pipelines? (reference Part 195, review of NPMS) (B9) Yes = 1 No = 0	1	1
<p>Evaluator Notes: C10. Yes Safety Division uses NPMS & State Coastal zone maps to monitor & compare with operator maps. 195.402(c) (1) of inspection form.</p>			
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 195.402(c)(5)? (B10,E5) Yes = 1 No = 0	1	1
<p>Evaluator Notes: C11. YES. it is on the Std Insp Form, per 195.402(c)(5), and all accidents are followed up with most having on-site investigation.</p>			
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 (G5-8,G15) Yes = 2 No = 0 Needs Improvement = 1	2	2
<p>Evaluator Notes: C12. YES. As outlined in the LDNR SOP Sec 6 Part 4, the reports are reviewed by an Engineer for completeness, miles of pipe, & lost and unaccounted for gas and trends it relative to prior years. Also, pipeline mileage is used for assessing user fees so it is closely monitored. Reportable accidents are investigated relative to minimizing future events, including those due to excavation damage. Performance indicators include accidents per 1000 miles of pipe; # of inspections performed; # of probable violations; # of probable violations corrected. Tracking data includes accidents per 1000 miles of jurisdictional pipe; total miles of jurisdictional pipe; # of reportable accidents; costs due to reportable accidents; injuries due to reportable accidents; & deaths due to reportable accidents; these numbers are disaggregated to determine national numbers and LDNR State numbers. (Spreadsheet name is Monthly Performance Indicator Report which is summed for the Calendar year). Reports are received, followup is made, paperwork is checked, lessons learned are derived, Accident causes and regulatory compliance are determined, and site visits are usually made. Inspector duties are strongly outlined in SOP section 11.</p>			
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 (G9-12) Yes = 2 No = 0 Needs Improvement = 1	2	2
<p>Evaluator Notes: C13. YES. All of the OQ and IMP inspections for 2012 have been uploaded, typically within 1 month of the inspection. The focus in 2012 was to conduct Protocol 9 OQ inspections of operators with emphasis on the covered task for valves and corrosion control, & to close out any open OQ violations. The emphasis changed to full OQ HQ 2nd round Inspections in the 2nd half of 2012. The IMP emphasis was to finish LIMP for all operators. The OQ & IMP that was due was done in 2013, but the emphasis was on PAPEI.</p>			
14	Has state confirmed intrastate operators have submitted information into NPMS database along with changes made after original submission? (G13) Yes = 1 No = 0 Needs Improvement = .5	1	1
<p>Evaluator Notes: C14. YES. This was added in 2009 onto question 195.402(c)(1) on the Standard Inspection.</p>			
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 (II-3) Yes = 2 No = 0 Needs Improvement = 1	2	2
<p>Evaluator Notes: C15. YES. 199.101, 199.103, 199.113, and 199.117 are referenced in detail in the LDNR Drug & Alcohol Form which includes Fed Form 13 and much of Fed Form #3.1.11. In addition Fed Form #3.1.11 is used during HQ D&A inspections. This issue is addressed on the Fed Form #3.1.11 on question A.02.b.</p>			

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- 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 195 Part G (I4-7) 2 2
 Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

C16 Yes. All Operators have been OQ inspected and re-inspections are scheduled to be complete by 12/31/2015. The focus in 2012 was to conduct Protocol 9 OQ inspections of operators with emphasis on the covered task for valves and corrosion control, & to close out any open OQ violations. The emphasis changed to full OQ HQ 2nd round Inspections in the 2nd half of 2012.

- 17** 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). 49 CFR 195.452 Appendix C (C8-12) 2 2
 Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

C17. YES. Most Operators have been inspected twice. The protocols were reviewed to prove HCAs and inclusion in LIMP or prove the lack of HCAs and exclusion from LIMP. All violations, tests, and remedial actions have been properly addressed. Haz Liq Operators are submitting annual reports which include HCA data. Changes of HCA reported are followed up on.

- 18** 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 195.440 (I13-16) 2 2
 PAPEI Effectiveness Inspections should be complete by December 2013

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

C18. Yes, 314 of the 324 required PAPEI inspections were done by 12/31/2013 & the rest were completed in early 2014. The completed forms are uploaded into the Fed database. This project is complete.

- 19** 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). (G19-20) 1 1
 Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

C19. YES. LDNR is providing a Pipeline Safety Seminar every year instead of every 3rd year, Helped create the Louisiana Common Ground Alliance, Have a close association with LA One Call and with the State Police for excavation enforcement. The LDNR website is up and running. The public has access to all pipeline inspections on the website since March, 2008. Access to prior inspections requires an office visit. Attend the LA DIG LAW Advisory Comm Mtg at least annually.

- 20** 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:

C20. Yes. SRCR are tracked by Steve Giambrone & Mark Champagne, & updates are sent to the Feds.

- 21** 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:

C21. Yes. LDNR works with NAPSRS, TQ, NTSB, PHMSA, and is on various committees.

- 22** 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. Info OnlyInfo Only
Info Only = No Points

Evaluator Notes:

C22. None, there have been no waivers applicable to HL.

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

Evaluator Notes:

C23. LDNR is dedicated to being transparent, is making data easily available to the public, is committed to data evaluation for self-improvement, understands the emphasis on accident/incident investigations, and has scheduled its personnel for additional training.

Total points scored for this section: 40
Total possible points for this section: 43

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:

D1. YES. In the LA Administrative Code (LAC 33 LIQUID, & LAC 43 GAS), & is cross referenced to the Pipeline Operations Manual. Through experience, a standard form has been developed. The compliance action specifies the time available for response, and each inspector is responsible to ensure the time frames are adhered to or time extensions are justified. Managers hold inspectors accountable for the timely handling of compliance actions. The Pipeline Division uses a spread sheet maintained by Steven Giambrone to track dates of inspection, citation, time limit for response, targeted re-inspection due date, actual re-inspection date, outcome, & closure dates.

- | | | | |
|----------|--|--------------------------------------|--|
| 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 director 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:

D2. YES. The inspection reports and violation letters are kept electronically in the Unit files and Citation files. The files are being kept indefinitely; there has been no decision to discard or delete and files. They also use an internal document 'Re-Inspection Form' & if the operator response is sufficient, the form is used to document closure of the compliance action. Also see Form PLS-OR-1: Organization Report, Also see Pipeline Operations Manual, Glossary, Noncompliance.

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

Evaluator Notes:

D3. YES. there were 3 Hazardous Liquid actions in 2013. Reviewed the violation files and the Safety Division is following its procedures.

- | | | | |
|----------|--|---|---|
| 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:

D4. YES. Minor violations were handled informally or with a letter and verified by re-inspection. For 2013, there were no actions where 'show cause' hearings were requested by Pipeline Division or the Operators. All cited operators complied (or are in the process of complying) with the enforcement actions. The process for 'show cause' hearings is in place. Due process is afforded all & is stated in the violation letters. See LA Administrative Code (LAC 33: V subpart 3 Chapter 313 LIQUID, & LAC 43: XI subpart 3 Chapter 5 GAS).

- | | | | |
|----------|---|---|---|
| 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 | 2 | 2 |
|----------|---|---|---|

Evaluator Notes:

D5. YES. The Program Manager is familiar with the state process for imposing civil penalties. James Mergist and Steve Giambrone are part of a committee to develop procedures and identify precedents for determining civil penalties. Multiple violations are considered.

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:

D6. YES. Fines are assessed and collected every year. In 2013 \$10,000 in fines were assessed in 2 citations and \$15,000 was collected.

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

Evaluator Notes:

D7. LDNR has a fully developed and implemented Pipeline Safety Program. Procedures are written and followed. Records are kept and properly filed. All compliance tools are used including civil penalties. On a sad note, there was no sponsor for a legislative Bill for increased civil penalties in 2013.

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

PART E - Accident Investigations

Points(MAX) Score

- 1** 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 (A2,D1-3) 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:

E1. YES. See Pipeline SOP, General Criteria, Accident Investigations. State Guidelines Appendix D specifies: 1. Determine if safety violations occurred. 2. Determine root causes of the accident if asked by NTSB. 3. Cooperate with NTSB. The MOU between NTSB and OPS is understood, and LDNR Pipeline Division fully cooperates with NTSB. In 2013 there were 5 reportable accidents, plus follow up of several non-reportable accidents when notification was received.

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

Evaluator Notes:

E2. YES. Telephonic contact is made, and the 'Telephonic Leak Report' is used. The information received is used to determine if an on-site visit is required. 5 of the 5 Federally reportable accidents had a field visit.

- 3** Were all accidents investigated, thoroughly documented, and with conclusions and recommendations? (D5) 3 3
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:

E3. Yes, Yes, Yes. LDNR uses the federal pipeline failure investigation form when an on-site investigation is made. The events are documented and Appendix C is followed. Including findings of fact, probable cause, and to determine if Pipeline Safety Regulations were followed.

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

Evaluator Notes:

E4. YES. of the 5 accidents, 4 reviews are complete with no violations & 1 investigation is on-going.

- 5** Did the state assist region office 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 (D7) 1 1
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

E5. YES. The Safety Division has regular contact with PHMSA SW Region and DC to ensure that accident/incident reports are accurate & updated.

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

Evaluator Notes:

E6. YES. LDNR makes a report during the SW Region NAPS Meeting, and responds as appropriate to email correspondence.

7 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

E7. LDNR has an on-line incident/accident investigation system. That prompts inspectors to completeness, and completed investigations are available to the public electronically.

Total points scored for this section: 9

Total possible points for this section: 9

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? (E1)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|--|---|---|

Evaluator Notes:

F1. Yes. It is on LDNR's advisory bulletin list attached to the Std Insp Form. Starting in 2009, this question was also added to the Std Insp Form, subpart L, Damage prevention, 195.442(a).

- | | | | |
|----------|--|---|---|
| 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:

F2. Yes. it is in the Std Insp Form, Subpart F, Damage Prevention, 195.442(b), 195.442(c)(4), & (c)(5).

- | | | | |
|----------|---|---|---|
| 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:

F3. Yes. LDNR helped create the Louisiana Common Ground Alliance in 2008. LDNR has been promoting the Best Practices document for the past several years. The State Police are issuing citations and fines for excavation damages. Also made a presentation at the annual Damage Prevention Summit in Baton Rouge. Also continue to work with CAMO, Coastal and Marine Operators to reduce damages.

- | | | | |
|----------|--|---|---|
| 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:

F4. Yes, Data of annual reports is captured, line hits and locates are captured, & investigations are captured. The data is analyzed for causes and trends.

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

Evaluator Notes:

F5. LDNR has met all 9 elements of Damage Prevention since 2008. LDNR continues to actively support damage prevention efforts in the State.

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:
 Wildcat Midstream Operating, LLC, (WMO) opid 38926
 Name of State Inspector(s) Observed:
 Jamie Burns
 Location of Inspection:
 1716 Friendship Rd, Frierson, LA 71027
 Date of Inspection:
 6/23-24/14
 Name of PHMSA Representative:
 Patrick Gaume

Evaluator Notes:
 G1. Wildcat Midstream Operating, LLC, (WMO) opid 38926, Jamie Burns, 6/23-24/14, Patrick Gaume 1716 Friendship Rd, Frierson, LA 71027

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:
 G2. Yes, 3 employees participated in 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:
 G3. Yes, the LA version of Form 3, This was a special inspection of six modules: Line Marker, valves, corrosion, firefighting, over pressure protection, and ROW & Navigable waterways.

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

Evaluator Notes:
 G4. Yes, for the selected modules.

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) (F5) 1 1
 Yes = 1 No = 0

Evaluator Notes:
 G5. Yes, keys, hand tools, half cell, multimeter.

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:
 G6. Yes, Jamie addressed Procedures & Records for the modules that were selected and a full Field inspection.

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:

G7. Yes, Jamie showed that he is a fully trained inspector.

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:

G8. Yes, no violations found, the operator is exceeding minimum regulatory requirements on several items, the pipeline is a new system and is in great shape. One item of minor rust was noted.

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:

G9. Yes, no violations found, the operator is exceeding minimum regulatory requirements on several items, the pipeline is a new system and is in great shape. One item of minor rust was noted.

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:

G10. Locks, signs, markers, clean grounds, cattle barricades, air-soil interface, atmospheric corrosion, valve actuation, cp, threads & bolts, pipe supports, ROW, emergency response number.

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)? (C1) 1 NA
 Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

H.1-8. NA. Not an Interstate Agent State Program.

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:

H.1-8. NA. Not an Interstate Agent State Program.

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:

H.1-8. NA. Not an Interstate Agent State Program.

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:

H.1-8. NA. Not an Interstate Agent State Program.

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:

H.1-8. NA. Not an Interstate Agent State Program.

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:

H.1-8. NA. Not an Interstate Agent State Program.

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:

H.1-8. NA. Not an Interstate Agent State Program.

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

Evaluator Notes:

H.1-8. NA. Not an Interstate Agent State Program.

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

Evaluator Notes:

I.1-7. NA. Not a 60106 Agreement State Program.

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

Evaluator Notes:

I.1-7. NA. Not a 60106 Agreement State Program.

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

Evaluator Notes:

I.1-7. NA. Not a 60106 Agreement State Program.

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

Evaluator Notes:

I.1-7. NA. Not a 60106 Agreement State Program.

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

Evaluator Notes:

I.1-7. NA. Not a 60106 Agreement State Program.

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

Evaluator Notes:

I.1-7. NA. Not a 60106 Agreement State Program.

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

Evaluator Notes:

I.1-7. NA. Not a 60106 Agreement State Program.

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