



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

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)

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

State Agency: Alabama
Agency Status:
Date of Visit: 04/01/2014 - 04/04/2014
Agency Representative: Wallace Jones, Sr. - Administrator, Gas Pipeline Safety
PHMSA Representative: Don Martin
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

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	42	40
D Compliance Activities	15	14
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
TOTALS	106	103
State Rating		97.2

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: No inaccuracies were found on Attachment 1.			
2	Review of Inspection Days for accuracy - Progress Report Attachment 2 (A1b) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: The inspection person days on Attachment 2 matched the APSC's 2013 inspection records.			
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: The APSC's listing of operators and units matched the spreadsheet listing kept by the APSC. The number of units on Attachment 3 matched Attachment 1 tally.			
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: The APSC did not list any incidents on Attachment 4 for CY2013. A review of the Pipeline Datamart did not show any incidents in CY2013.			
5	Accuracy verification of Compliance Activities - Progress Report Attachment 5 (A1e) Yes = 1 No = 0 Needs Improvement = .5	1	1
Evaluator Notes: There were no errors found on Attachment 5.			
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: No issues identified concerning the APSC's file organization. The APSC maintains hard copy files and electronic 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: All entries were consistent with APSC employee files and training files of PHMSA's Training and Qualifications Division.			
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: No discrepancies were found with the APSC's Attachment 8 information. The APSC does not have civil penalty levels substantially the same as PHMSA. Legislation has been introduced to raise the APSC's civil penalty level to be substantially the same as PHMSA.			

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

Evaluator Notes:

No issues identified with Attachment 10. Very good description of the APSC's program.

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

Evaluator Notes:

The APSC generally complied with the requirements of Part A of this evaluation.

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

Evaluator Notes:

The APSC inspection procedures utilizes a risk ranking model to prioritize operators and units to be inspected each year. The procedures state that each operator and unit must be inspected annually. The annual inspection can be one of seven possible inspection types. A Standard inspection can be one of those inspections.

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

Evaluator Notes:

The APSC inspection procedures utilizes a risk ranking model to prioritize operators and units to be inspected each year. The procedures state that each operator and unit must be inspected annually. The annual inspection can be one of seven possible inspection types. An IMP inspection can be one of those inspections.

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

Evaluator Notes:

The APSC inspection procedures utilizes a risk ranking model to prioritize operators and units to be inspected each year. The procedures state that each operator and unit must be inspected annually. The annual inspection can be one of seven possible inspection types. An OQ inspection can be one of those inspections.

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

Evaluator Notes:

The APSC inspection procedures utilizes a risk ranking model to prioritize operators and units to be inspected each year. The procedures state that each operator and unit must be inspected annually. The annual inspection can be one of seven possible inspection types. A Damage Prevention inspection can be one of those inspections.

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

Evaluator Notes:

On-site operator training is scheduled on as needed basis.

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

Evaluator Notes:

Construction inspections are scheduled when operator notification of construction plans is provided to the APSC.

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

Evaluator Notes:

Incident investigations are included in the APSC's inspection procedures. The APSC investigates incidents as they occur.

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

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

- d. Locations of operators inspection units being inspected - (HCA's, Geographic 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:

The APSC has implemented a risk ranking model (which includes the elements above) to provide trends on certain threats such as third party damage for each operator and unit. The results of the model are used to schedule inspections in the annual inspection plan. Each operator and inspection unit will receive an inspection annually. The risk model determines the interval of each type but a Standard Inspection will be conducted at least once each three years. Inspection units appear to be broken down appropriately.

9 General Comments:
Info Only = No Points

Info Only Info Only

Evaluator Notes:

The APSC generally complied with the requirements of Part B of this evaluation.

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):
47.00

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 0.13 = 28.97

Ratio: A / B
47.00 / 28.97 = 1.62

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

Evaluator Notes:

The APSC exceeded the required ratio of 0.38.

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:

All inspectors and program manager have satisfied the training requirements or is on schedule to complete them.

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:

Mr. Jones has been the program manager for six years and had extensive experience with a private distribution company prior to his appointment as program manager. Mr. Jones is very active in the National Association of Pipeline Safety Representatives and has represented the organization in PHMSA initiatives to improve the pipeline safety program.

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

Evaluator Notes:

The APSC responded in 58 days.

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

Evaluator Notes:

The last seminar was held in December of 2013. The APSC conducts its seminar annually.

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

Evaluator Notes:

The APSC met its timeframe for inspecting operators and units.

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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 (B4-5)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

Evaluator Notes:

The APSC uses the federal standard inspection forms on standard inspections once each three years. The APSC uses standard inspection forms it has developed for years in between. The forms were evaluated for covering federal requirements and were sufficient. Construction inspection forms developed by the APSC were also determined to cover federal requirements. The APSC uses federal forms for IMP and OQ inspections and uses the federal incident investigation form to obtain facts surrounding an incident. Upon a review of randomly selected inspection files all applicable sections of inspection forms were completed.

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| 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:

Yes. The APSC's inspection form covers the requirement for assessing active corrosion on hazardous liquid pipelines. Question 20 (a) of the APSC's standard inspection form covers this pipeline safety concern.

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| 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:

Question 3 (b) of the APSC's hazardous liquid standard inspection form covers requirements in 195.402 (c) and Question 27 covers the requirement to determine accident causes.

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| 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 |
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Evaluator Notes:

The APSC periodically reviews the National Pipeline Mapping System (NPMS) which indicates environmentally sensitive areas. Question 1 (a) on its hazardous liquid standard inspection reviews operators' submittals to the NPMS.

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| 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 |
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Evaluator Notes:

The APSC covers the requirements of 195.402 on its inspection checklist form, Question 27, during each standard inspection.

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| 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 |
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Evaluator Notes:

The APSC reviews annual reports for accuracy and reviews data for leaks, third party damages, etc. However, the frequency of occurrence is very low and is not applicable for reliable data trending.

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| 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 |
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Evaluator Notes:

The OQ results have been uploaded in an acceptable timeframe. No issues were identified upon a review of the Liquid IMP database.

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| 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 |
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Evaluator Notes:

The APSC includes as part of its IMP inspections a discussion with operators on their submission of updates to the National Pipeline Mapping System.

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

The APSC reviews program changes during each standard inspection. The APSC conducted seven drug and alcohol inspections in the previous year. No inspections were conducted during CY2013.

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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)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
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Evaluator Notes:

No issues found in OQ inspections.

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| 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)
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
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Evaluator Notes:

The APSC has conducted the integrity management programs of all hazardous liquid pipeline operators.

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| 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)
PAPEI Effectiveness Inspections should be complete by December 2013

Yes = 2 No = 0 Needs Improvement = 1 | 2 | 0 |
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Evaluator Notes:

The APSC was not able to complete all of the PAPEI inspections by the end of December, 2013. Two points were not given for this requirement.

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| 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)
Yes = 1 No = 0 Needs Improvement = .5 | 1 | 1 |
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Evaluator Notes:

The APSC posts pipeline safety information on the Commission's website. The APSC participates in and makes presentations at Alabama Natural Gas Association meetings.

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| 20 | Did state execute appropriate follow-up actions to Safety Related Condition (SRC) Reports? Chapter 6.3 (B6) | 1 | NA |
|-----------|---|---|----|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

There were no safety related condition reports filed by operators during 2013.

21 Did the state participate in/respond to surveys or information requests from NAPS or PHMSA? (H4) 1 1

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

No issues with participation were discovered.

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 Only|Info Only

Info Only = No Points

Evaluator Notes:

There are no waivers existing for hazardous liquid operators.

23 General Comments: Info Only|Info Only

Info Only = No Points

Evaluator Notes:

C.18 - The APSC was not able to complete all of the PAPEI inspections by the end of December, 2013. Two points were not given for this requirement.

Total points scored for this section: 40
Total possible points for this section: 42

PART D - Compliance Activities

Points(MAX) Score

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

Yes. The APSC's procedures were revised to include a matrix of response timeframes depending on the nature of the probable violation. It is described on Page 24 of the APSC's inspection and enforcement procedures. Response date required and the actual response date are kept by each lead inspector for follow-up. Written compliance action correspondence must be sent to an officer of a private company.

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|----------|--|--------------------------------------|--|
| 2 | Did the state follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? Chapter 5.1 (B11,B18,B19)
Yes = 4 No = 0 Needs Improvement = 1-3 | 4 | 4 |
| a. | Were compliance actions sent to company officer or manager/board 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:

Upon a review of randomly selected inspection files, the files contained responses from operators within the deadlines given by the APSC. No instances were found where the APSC failed to follow-up on probable violation corrections. Compliance notifications were sent to company officer when a private company was involved.

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

Upon a review of randomly selected inspection files completed during 2013, all inspections with discovered probable violations had letters of non-compliance in the files.

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

The APSC's rules and procedures provide operators with an opportunity to argue their position as to whether a probable violation occurred. The operator is provided with an opportunity to present its case in a "show cause" hearing before a presiding officer or the commission. Upon a review of randomly selected inspection files the APSC followed its procedures.

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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) (B27)
Yes = 2 No = 0 | 2 | 2 |
|----------|---|---|---|

Evaluator Notes:

Page 23 of the APSC's inspection and enforcement procedures was revised to establish the criteria to be considered to determine a level of civil penalty fine. The severity of the probable violation, if the probable violation was repeated, the operator's ability to pay and whether or not an incident resulted involving injury or fatality.

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

The APSC has not assessed a civil penalty in several years. Therefore, the APSC can't demonstrate that it has used its fining authority.

7 General Comments:

Info OnlyInfo Only

Info Only = No Points

Evaluator Notes:

D.6 - The APSC has not assessed a civil penalty in several years. Therefore, the APSC can't demonstrate that it has used its fining authority. One point could not be given.

Total points scored for this section: 14
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:

The APSC publishes and disseminates contact information to operators. A contact listing is also maintained on the Commission's web site. After hour contact instructions are also included. The Program Manager is knowledgeable of the MOU and understands the cooperation between the state and PHMSA as outlined in the Appendices of the Guidelines.

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

Evaluator Notes:

There were no incidents in 2013 that met federal reporting requirements. Therefore, there were no investigations on-site or otherwise.

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

There were no incidents in 2013 that met federal reporting requirements.

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

Evaluator Notes:

There were no incidents in 2013 that met federal reporting requirements.

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:

No issues were identified.

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

Evaluator Notes:

Yes. Wallace Jones has communicated this information during Southern Region Meetings in the past.

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

Evaluator Notes:

The APSC has generally complied with the requirements of Part E of this evaluation.

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

PART F - Damage Prevention

Points(MAX) Score

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

Yes. The APSC conducts reviews of operators' OM procedures on a three year rotational basis. Directional drilling/boring procedures are a part of the review. The APSC uses a standard form developed from the federal standard inspection form which covers this requirement.

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| 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 |
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Evaluator Notes:

Yes. The APSC's standard inspection form Question 25 has the inspector review the operator's damage prevention program and records.

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

The Program Manger participates in the Alabama Damage Prevention Council where he has encouraged stakeholder representatives to use CGA Best Practices. The APSC includes damage prevention topics during its annual pipeline safety seminar.

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| 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 |
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Evaluator Notes:

The APSC collects this information each year and uses the information in its relative risk ranking model. The data is insufficient to establish any trends at this time.

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

The APSC complied with the requirements of Part F of this evaluation.

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

PART G - Field Inspections

Points(MAX) Score

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

Name of Operator Inspected:
 Palmer Petroleum
 Name of State Inspector(s) Observed:
 Judy Ramsey, Clark Brown and Marcus Richburg
 Location of Inspection:
 Monroeville, AL
 Date of Inspection:
 04/02/2014
 Name of PHMSA Representative:
 Don Martin

Evaluator Notes:
 The APSC conducted a standard inspection of this hazardous liquid pipeline operator. The operator has approximately 8 miles of jurisdictional pipelines.

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:
 Yes. The operator stated he was notified two weeks prior to the scheduled inspection date.

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

Evaluator Notes:
 The APSC used the standard inspection form developed by the APSC during the evaluation. The federal form will be utilized upon a return visit during 2014. The APSC inspector used the form as a guide to progress through the procedures and records portion of the inspection.

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

Evaluator Notes:
 Yes, all findings were documented on the inspection form.

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:
 Yes, cathodic protection testing equipment was verified during the inspection.

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

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

Evaluator Notes:
 No issues with the subject matter covered by the inspector during the evaluation observation.

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

Evaluator Notes:

Yes, Ms. Ramsey has completed all of the TQ training and has been an inspector for several years. She is well versed in the regulations and Alabama's pipeline safety program.

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

Evaluator Notes:

Yes, an exit session was held with the operator at the end of the day.

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:

Yes, test readings of two cathodic protection test points indicated that the operator was not maintaining protection up to the criteria level selected. Flange bolt threads at an above ground piping facility did protude past the nut.

10 General Comments: What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) Other Info Only Info Only
 Info Only = No Points

- a. Abandonment
- b. Abnormal Operations
- c. Break-Out Tanks
- d. Compressor or Pump Stations
- e. Change in Class Location
- f. Casings
- g. Cathodic Protection
- h. Cast-iron Replacement
- i. Damage Prevention
- j. Deactivation
- k. Emergency Procedures
- l. Inspection of Right-of-Way
- m. Line Markers
- n. Liaison with Public Officials
- o. Leak Surveys
- p. MOP
- q. MAOP
- r. Moving Pipe
- s. New Construction
- t. Navigable Waterway Crossings
- u. Odorization
- v. Overpressure Safety Devices
- w. Plastic Pipe Installation
- x. Public Education
- y. Purging
- z. Prevention of Accidental Ignition
- A. Repairs
- B. Signs
- C. Tapping

- D. Valve Maintenance
- E. Vault Maintenance
- F. Welding
- G. OQ - Operator Qualification
- H. Compliance Follow-up
- I. Atmospheric Corrosion
- J. Other

Evaluator Notes:

The inspection was very comprehensive in its coverage. The APSC generally complied with the requirements of Part G of this evaluation.

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:

The Alabama Public Service Commission is not an interstate agent.

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

Evaluator Notes:

The Alabama Public Service Commission is not an interstate agent.

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

Evaluator Notes:

The Alabama Public Service Commission is not an interstate agent.

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

Evaluator Notes:

The Alabama Public Service Commission is not an interstate agent.

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

Evaluator Notes:

The Alabama Public Service Commission is not an interstate agent.

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

Evaluator Notes:

The Alabama Public Service Commission is not an interstate agent.

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

Evaluator Notes:

The Alabama Public Service Commission is not an interstate agent.

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

Evaluator Notes:

The Alabama Public Service Commission is not an interstate agent.

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

PART I - 60106 Agreement State (if applicable)

Points(MAX) Score

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

Evaluator Notes:

The Alabama Public Service Commission does not have a 60106(a) agreement with PHMSA.

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:

The Alabama Public Service Commission does not have a 60106(a) agreement with PHMSA.

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:

The Alabama Public Service Commission does not have a 60106(a) agreement with PHMSA.

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:

The Alabama Public Service Commission does not have a 60106(a) agreement with PHMSA.

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:

The Alabama Public Service Commission does not have a 60106(a) agreement with PHMSA.

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:

The Alabama Public Service Commission does not have a 60106(a) agreement with PHMSA.

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

Evaluator Notes:

The Alabama Public Service Commission does not have a 60106(a) agreement with PHMSA.

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