

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

2018 Hazardous Liquid State Program Evaluation

for

CAL FIRE - OFFICE OF THE STATE FIRE MARSHAL

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)



2018 Hazardous Liquid State Program Evaluation -- CY 2018
Hazardous Liquid

State Agency: California
Agency Status:
Date of Visit: 06/11/2019 - 06/12/2019
Agency Representative: Jim Hosler, Assistant Deputy Director, Chief of Pipeline Safety; Alin Podoreanu, Supervising Pipeline Safety Engineer; Doug Allen, Supervising Pipeline Safety Engineer; Jim Clemson, Associate Government Program Analyst
PHMSA Representative: David Lykken, State Liaison
Commission Chairman to whom follow up letter is to be sent:
Name/Title: Michael J. Richwine, State Fire Marshal, Acting
Agency: CAL FIRE - Office of the State Fire Marshal
Address: P.O Box 944246
City/State/Zip: Sacramento, CA 94244-2460

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 2018 (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.

Scoring Summary

PARTS	Possible Points	Points Scored
A Progress Report and Program Documentation Review	10	10
B Program Inspection Procedures	13	13
C Program Performance	42	40
D Compliance Activities	15	15
E Accident Investigations	11	11
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	111	109
State Rating		98.2



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

Evaluator Notes:
No change from prior year. No issues noted. Inspection Unit totals by operator type on Attachment 3 are consistent with the Inspection Unit totals on Attachment 1. Operators listed as "Other" in Attachment 1 notes do not file Annual Reports with PHMSA and are not included in #of Operators/Units information.

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

Evaluator Notes:
Minimum number of inspection days required was 999. Actual was 1159. The number of inspection days entered for each operator type and inspection type essentially match the records kept by the program.

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

Evaluator Notes:
Information essentially the same as last year. No issues noted. Operators mentioned as "Other" in Attachment 3 notes do not file Annual Reports with PHMSA and are not listed under Attachment 3 Operators/Units information.

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

Evaluator Notes:
The incidents listed are consistent with the incident report information contained in PDM.

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

Evaluator Notes:
The information entered for compliance activities essentially matches the records kept by the state program. Small variance in number carried over due to withdrawal of one PV by OSFM as noted in attachment 5 notes.

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

Evaluator Notes:
Yes. No issues noted. Records stored in the programs Pipeline Information Management System (PIMS) and other spreadsheets as maintained. All information requested was provided with prompt efficiency.

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

Evaluator Notes:
Time spent as a Supervisor and Inspector/Investigator was not apportioned correctly in all cases which had a negative impact on the Total Inspection person-days to total person days ratio under question C-1. No impacts to PR scoring. Errors corrected in a supplemental submission.

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

Evaluator Notes:



State has automatic adoption by reference. Adoption dates aligned with federal effective dates listed. Title 5, Division 1, Part 1, CHAPTER 5.5, Section 51011 The Elder Pipeline Safety Act Of 1981.

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:

1. Has fully integrated the IA software and made it the baseline standard for the programs inspection organization.
 2. Completed process for electronic tracking, managing and storage of operator and inspection data and to ensure it is audit-able under PHMSA and state standards.
 3. Increased the number of Annual Field OQ by 50% from the previous year and increasing accordingly each subsequent year. 316% increase from CY2017).
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10 General Comments:
Info Only = No Points

Info OnlyInfo Only

Evaluator Notes:

Total points scored for this section: 10
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.

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Inspection Planning Sec VII, Pre-Inspection, Inspection and Post Inspection Sec VIII.

- 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.

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Inspection Planning Sec 7, Pre-Inspection, Inspection and Post Inspection Sec 8. IMP Sec 8.24 and 8.25. Section 9 (CAL-IMP).

- 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.

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Inspection Planning Sec 7, Pre-Inspection, Inspection and Post Inspection Sec VIII. OQ Sec 8.12 and 8.13.

- 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.

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Inspection Planning Sec 7, Pre-Inspection, Inspection and Post Inspection Sec 8. DP Activities Sec 8.22.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Section 8.21 (New Operator). Also Appendix B, Section 9. Shared with OSFM other sample language for their review and consideration.

- 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.

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

Inspection Planning Sec VII Inspection and Post Inspection Activities Sec VIII.

- 7 Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements?

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. Section 7.3 Time Intervals for Inspections.
- b. Section 7.3 Risk-based approach. Inspection History Section 7.4.1 Link to Activity Reports
- c, d & e. Section 7
- f. Units apportioned appropriately.

8 General Comments:

Info Only = No Points

Info Only Info Only

Evaluator Notes:

No point deductions under Part B.

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):
1159.49

B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
220 X 13.00 = 2860.73

Ratio: A / B
1159.49 / 2860.73 = 0.41

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

Evaluator Notes:

Time spent as a Supervisor and Inspector/Investigator was not apportioned correctly in all cases which had a negative affect on the Total Inspection person-days to total person days ratio (0.36). Errors corrected in a supplemental submission. Ration now at .40.

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:

Same as last year. a) OQ training necessary for conducting OQ inspections. b) Inspection staff who have conducted IM inspections as lead have completed all necessary T&Q training. c) Multiple Supervisory/Inspection staff have completed the T&Q Root Cause training. d) Outside training attended included the NACE Coating CIP Course and Level 1 CP 1 Tester course. e) Inspectors who conducted standard inspections as lead have attend all necessary T&Q courses.

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:

PM has over 30 years of hazardous liquid industry experience. 3 years with the CASFM. PM displayed adequate knowledge of pipeline safety program, enforcement applications, and administrative procedures.

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, Chief Richwine's response letter to Zach Barrett was received on February 5, 2019. PHMSA's outbound letter was dated December 21, 2018, thus the State responded within the 60-day time requirement.

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. Last conducted 5/17-18/2018. Most recent hosted on 4/17-18/2019. Agenda and Participant list reviewed. Approximately 280 attendees.



6	Did state inspect all types of operators and inspection units in accordance with time intervals established in written procedures? Chapter 5.1 Yes = 5 No = 0 Needs Improvement = 1-4	5	3
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Evaluator Notes:

2 Points deducted for Needed improvement - repeat from previous years. Tracker maintained to ensure that all operator types, units, and inspection types are completed within established time-frames. Program is aggressively filling vacant positions. Hoping to fill 5 vacancies within the next few months. Will continue to be deficient in this area for the next couple of years. Will continue to be deficient in this area for the next year or two.

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

Yes. Program has migrated to IA for conducting most types of inspections. Inspection staff provide excellent, detailed notes in their inspection report summaries including findings of probable violations.

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)? Yes = 1 No = 0	1	1
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Evaluator Notes:

Yes. Covered under Section 8.9 of written procedures. Records reviewed during annual visits. Documented program results reviewed (IOR reports).

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

Yes, Part of standard inspection pre-planning process. Operators required to submit an "annual questionnaire" which provides more detailed information than required in the federal annual report. Reviewed examples from CY2018.

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

Yes, included in the standard inspection checklist in IA. Also operator required submissions to their State GIS.

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

Yes. The CASFM conducted four D&A inspections in CY2018

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	2	2
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Evaluator Notes:

Yes. 83.75 field days devoted to OQ inspections. Conducted 22 OQ Plan Reviews and 23 Field Verification inspections in CY2018.



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|-----------|---|---|---|
| 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 | 2 | 2 |
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Evaluator Notes:

138 field days devoted to LIMP activities in CY2018. Number of Plan Reviews conducted 18.
Number of Field Verification's conducted 18. PHMSA Form19 for documenting field verification visits.

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

Evaluator Notes:

Yes. 4 PAPE Effectiveness inspections conducted in CY2018.

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| 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 | 1 | 1 |
|-----------|--|---|---|

Evaluator Notes:

Yes. No change from prior years. Pipeline information available on CASFM web site include... Pipeline Staff Contact information; Hydrostatic testing information: Application Forms for Initial Application Approval as an Independent Hydrostatic Testing Firm; Notification of Proposed Pig Run or Hydrostatic Test; List of Approved Hydrostatic Testing Companies; Student manual for Pressure Testing Requirements for Hazardous Liquid Pipelines in California; Pipeline Mapping information; and other relevant information

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

Yes. One closed in CY2018. One still open. Program has documentation related to the investigation of SRC's. No recent action taken by operator. Reminded OSFM to provided monthly updates to the WR even if no activity by operator. Written procedure for receiving and processing of SRC's Section 8.26

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

Evaluator Notes:

Yes. No issues.

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|-----------|--|---|---|
| 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 | 1 | 1 |
|-----------|--|---|---|

Evaluator Notes:

None new issued in CY2018. THUMS-Long Beach Company approval for Smart Pipe Installation - was inspected on June 13, 2018. The July 24, 1991 UNOCAL (now Phillips 66) continuous waiver was inspected May 21, 2018.

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|-----------|--|---|---|
| 19 | Did the state attend the NAPSRS National Meeting in CY being evaluated?
Needs Improvement = .5 No = 0 Yes = 1 | 1 | 1 |
|-----------|--|---|---|

Evaluator Notes:

Yes. Attended the Santa Fe, NM meeting held the week od October 15, 2018

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- 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:

No change for prior year. All of the metrics are trending in the direction of improvement.

- 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:

The PM satisfied with current data submission. SICT data has been updated. Does not anticipate making any changes. Currently 21 approved positions. 12 filled, 3 retire/rehires on staff, six vacancies but expect to fill remainder by the end of CY2019.

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

Evaluator Notes:

No pipeline flow reversals in 2018

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

Evaluator Notes:

C-6: Two Points deducted for Needed Improvement - repeat from previous years. Tracker maintained to ensure that all operator types, units, and inspection types are completed within established time-frames. Program is aggressively filling vacant positions. Hoping to fill 5 vacancies within the next few months. Will continue to be deficient in this area for the next year or two.

Total points scored for this section: 40
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
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:

No change from prior year. Section 11 - Enforcement Program. In addition to sufficient procedures, the program has developed a spreadsheet which aids in the tracking/progress of compliance actions.

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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? (Incident Investigations do not need to meet 30/90 day requirement) Chapter 5.1
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:

Yes. Issues well documented. Correspondence addressed to company official. The operator is instructed to provide a written response within a specified time period (30 days) for correcting probable violations. Remedial actions taken by operator to resolve non-compliance are routinely followed-up on. Exit briefings conducted at end of inspections. Significant improvement on timeliness of issuing preliminary findings.

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

Evaluator Notes:

Yes. Reviewed inspection documentation and associated correspondence. Compliance actions correlate with numbers submitted under Attachment 5 of the Progress Report.

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

Evaluator Notes:

Yes. Correspondence to operators outline procedures for challenging where a penalty or corrective action has been recommended.

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

Evaluator Notes:

No issues - The PM understands the process for issuing civil penalties. \$510,625.00 civil penalties assessed in CY2018. Civil penalties are considered for repeat violations.



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. As noted the program has used their fining authority to issue civil penalties in past years. \$510,625.00 in civil penalties issued in CY2018. \$106,045.50 collected.

7 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

No point deductions under Part D.

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. Chapter 10 - Accident Investigations outlines procedures.

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. Addressed under Section 10 of written procedures. Record keeping adequate.
 a. & b. addressed under Appendix I of written procedures.

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

Evaluator Notes:
 In CY2018, CASFM had a number of OES notifications that did not yield a physical response. Procedures were followed in these occasions - no issues.

4 Were all accidents investigated, thoroughly documented, and with conclusions and recommendations? 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:
 Incidents investigations are well documented. Excellent use of photographs as part of the incident investigation reports.

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

Evaluator Notes:
 Yes. Compliance actions were initiated as a result of issues identified.

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

Evaluator Notes:
 Yes. State responded to all requests when requested. No issues.

7 Does state share lessons learned from incidents/accidents? (sharing information, such as: at NAPS Region meetings, state seminars, etc) 1 1



Yes = 1 No = 0

Evaluator Notes:

Yes. Program shares their "state-of-the-state" during regional NAPSIR meetings.

8 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

No point deductions under Part E.

Total points scored for this section: 11
Total possible points for this section: 11



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

Evaluator Notes:

Yes. Question covered on IA inspection form utilized.

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

Evaluator Notes:

Yes. Covered under relevant IA forms used.

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

Evaluator Notes:

Yes. CASFM participates in regional CGA meetings and other venues. The CASFM is an active participant and stakeholder in the newly formed Damage Prevention Enforcement Authority Board.

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

Evaluator Notes:

As noted during last program evaluation, there are a limited number of HL excavation damages, and therefore, CASFM has no issues at this time assessing trends. CASFM took last year's recommendation and collaborated with the CPUC to assess their damage trends to natural gas assets. This has helped them better understand excavation threats, behaviors and challenges in the same general areas where HL assets exist.

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

Evaluator Notes:

No point deductions under Part F.

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:
 Phillips 66
 Name of State Inspector(s) Observed:
 Sampson Tang, Mark McCaleb
 Location of Inspection:
 Taft, CA
 Date of Inspection:
 April 30 - May 02, 2019
 Name of PHMSA Representative:
 David Lykken

Evaluator Notes:
 Observed a Standard OSFM Annual Pipeline Inspection of the Phillips 66 Western Kern County HL pipeline facilities. The inspection included Unit ID 86451 and 86452.

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. Company was notified prior to visit and company officials were present each day.

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:
 Inspector(s) utilized desktop and mobile versions of the IA for conducting inspection. 86 planned observation and record questions selected from the EP, FS, MO, PA & DP, RPT, TD, TQ groups. Inspector referred to IA mobile checklist during facility site visits.

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

Evaluator Notes:
 Yes, sufficient notes were captured and several photos were uploaded via their mobile IA.

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, testing and safety equipment calibrations/dates were verified.

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:
 The CASFM Standard Annual Pipeline inspection consists of records review, right-of-way (ROW) inspection, pipe-to-soil potential readings, rectifier readings, valve inspection, and verify the emergency phone number.



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

Yes, Inspectors demonstrated sufficient knowledge of program requirements and relevant regulations.

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

Inspection was not completed at the time of the field evaluation. The operator was provided a daily briefing on items covered. Inspectors displayed a good command presence while remaining courteous and professional.

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

Issues communicated to operator during daily briefing. Potential NOPV's to be determined.

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 = No Points	Info Only	Info Only
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|----|-----------------------------------|-------------------------------------|--|
| a. | Abandonment | <input type="checkbox"/> | |
| b. | Abnormal Operations | <input checked="" type="checkbox"/> | |
| c. | Break-Out Tanks | <input type="checkbox"/> | |
| d. | Compressor or Pump Stations | <input checked="" type="checkbox"/> | |
| e. | Change in Class Location | <input type="checkbox"/> | |
| f. | Casings | <input checked="" type="checkbox"/> | |
| g. | Cathodic Protection | <input checked="" type="checkbox"/> | |
| h. | Cast-iron Replacement | <input type="checkbox"/> | |
| i. | Damage Prevention | <input type="checkbox"/> | |
| j. | Deactivation | <input type="checkbox"/> | |
| k. | Emergency Procedures | <input type="checkbox"/> | |
| l. | Inspection of Right-of-Way | <input checked="" type="checkbox"/> | |
| m. | Line Markers | <input checked="" type="checkbox"/> | |
| n. | Liaison with Public Officials | <input type="checkbox"/> | |
| o. | Leak Surveys | <input type="checkbox"/> | |
| p. | MOP | <input type="checkbox"/> | |
| q. | MAOP | <input checked="" type="checkbox"/> | |
| r. | Moving Pipe | <input type="checkbox"/> | |
| s. | New Construction | <input type="checkbox"/> | |
| t. | Navigable Waterway Crossings | <input type="checkbox"/> | |
| u. | Odorization | <input type="checkbox"/> | |
| v. | Overpressure Safety Devices | <input checked="" type="checkbox"/> | |
| w. | Plastic Pipe Installation | <input type="checkbox"/> | |
| x. | Public Education | <input type="checkbox"/> | |
| y. | Purging | <input type="checkbox"/> | |
| z. | Prevention of Accidental Ignition | <input type="checkbox"/> | |
| A. | Repairs | <input checked="" type="checkbox"/> | |
| B. | Signs | <input checked="" type="checkbox"/> | |



- 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:

Thorough and detailed inspection performed by state inspectors. Well prepared. Good job putting operator technicians at ease during field component. Inspectors validated technicians knowledge of potential AOC's while performing covered tasks. Thorough inspection of pipeline ROW conducted.

Reviewed operator pipeline repair records. In one instance the unusual feature of the anomaly reviewed should have caused the inspectors to question the cause of the damage. Further questioning by the PHMSA Program Evaluator revealed that the damage was caused by the operator while placing a steel pipeline marker in the ground necessitating a need to reexamine the operators damage prevent program/lessons learned. During the exit interview I encouraged inspectors to be sure to pursue additional follow-up questioning when necessary.

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:
N/A. Does not have a interstate agent agreement.

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:
N/A. Does not have a interstate agent agreement

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:
N/A. Does not have a interstate agent agreement

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:
N/A. Does not have a interstate agent agreement

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:
N/A. Does not have a interstate agent agreement

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:
N/A. Does not have a interstate agent agreement

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:
N/A. Does not have a interstate agent agreement

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

Evaluator Notes:
Does not have a interstate agent agreement

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:
N/A. Not a 60106 program.

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:
N/A. Not a 60106 program.

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:
N/A. Not a 60106 program.

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:
N/A. Not a 60106 program.

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:
N/A. Not a 60106 program.

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:
N/A. Not a 60106 program.

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

Evaluator Notes:
Not a 60106 program.

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

