



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

1200 New Jersey Avenue SE
Washington DC 20590

2018 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)



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

State Agency: Louisiana
Agency Status:
Date of Visit: 04/23/2019 - 05/09/2019
Agency Representative: Michael Peikert, Assistant Director
PHMSA Representative: Don Martin
Commission Chairman to whom follow up letter is to be sent:
Name/Title: Richard Ieyoub, Commissioner
Agency: Louisiana Department of Natural Resources-Office of Conservation
Address: 617 North Third Street
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 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	9
B Program Inspection Procedures	13	13
C Program Performance	43	38
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	112	106
State Rating		94.6



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:

Upon review of the LADNR's spreadsheet which lists operators and units, the entries on Attachment 1 are correct.

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

Evaluator Notes:

Upon review of the LADNR's Composite Breakdown, no inaccuracies on Attachment 2 were found.

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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 |
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Evaluator Notes:

The listing of operators and inspection units on Attachment 3 was verified by the LADNR's records. The inspection unit totals for each operator type were consistent between Attachment 1 and Attachment 3. No issues found.

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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 |
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Evaluator Notes:

The seven reports listed in the Pipeline Data Mart (PDM) were shown in Attachment 4.

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

Evaluator Notes:

Needs Improvement. The number of Probable Violations Found was reported as 5 but recorded information in the spreadsheet shows 13. Attachment 5 shows Probable Violations Corrected as 3 but recorded information in the spreadsheet shows 12. The Progress Report should be corrected.

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

The LADNR's hardcopy file were observed in the file room. All appeared to be well organized. The LADNR's electronic files were well organized and very easy to access. No issues were noted.

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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 |
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Evaluator Notes:

No inaccuracies found in the employee listing on Attachment 7. Training was downloaded from PHMSA's Training and Qualification database.

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| 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:

No inaccuracies were found on the entries on Attachment 8.



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:

No issues were identified with Attachment 10.

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

Evaluator Notes:

A.5 - Needs Improvement. The number of Probable Violations Found was reported as 5 but recorded information in the spreadsheet shows 13. Attachment 5 shows Probable Violations Corrected as 3 but recorded information in the spreadsheet shows 11. The Progress Report should be corrected.

Total points scored for this section: 9
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:

The LADNR's INSPECTION GUIDANCE document, revised 5/2/19, was reviewed. The guidance meets the requirement that inspectors have procedures that promote consistency. Pre-inspection, inspection activity, and post-inspection portions of an inspection are covered. No issues.

- 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:

The LADNR's INSPECTION GUIDANCE document, revised 5/2/19, was reviewed. The guidance meets the requirement that inspectors have procedures that promote consistency. Pre-inspection, inspection activity, and post-inspection portions of an inspection are covered. The inspection modules provide additional information on details for HL IMP and inspections.

- 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:

The LADNR's INSPECTION GUIDANCE document, revised 5/2/19, was reviewed. The guidance meets the requirement that inspectors have procedures that promote consistency. Pre-inspection, inspection activity, and post-inspection portions of an inspection are covered. The inspection modules provide additional information on details for OQ inspections.

- 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:

The LADNR's INSPECTION GUIDANCE document, revised 5/2/19, was reviewed. The guidance meets the requirement that inspectors have procedures that promote consistency. Pre-inspection, inspection activity, and post-inspection portions of an inspection are covered. The inspection modules provide additional information on details for Damage Prevention inspections.

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

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

The LADNR's INSPECTION GUIDANCE document, revised 5/2/19, was reviewed. The guidance meets the requirement that inspectors have procedures that promote consistency. Pre-inspection, inspection activity, and post-inspection portions of an inspection are covered. The inspection modules provide additional information on details for Damage Prevention inspections.

- 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:

The LADNR's INSPECTION GUIDANCE document, revised 5/2/19, was reviewed. The guidance meets the requirement that inspectors have procedures that promote consistency. Pre-inspection, inspection activity, and post-inspection portions of an inspection are covered. The inspection modules provide additional information on details for Construction inspections.

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	6	6
a.	Length of time since last inspection (Within five year interval)	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:

The LADNR's PIPELINE SAFETY PROGRAMS GUIDELINES FIELD INSPECTIONS FOR GAS AND LIQUIDS OPERATORS INSPECTION PRIORITIZATION AND PROCEDURES document was reviewed. The guidance meets the requirement for prioritizing inspection units. The guidance includes the following statement:

"If an inspection indicates portions of the operators' system is not being properly operated and maintained as required by the written procedures. Other means of criteria utilized for both Comprehensive (Standard) and Specialized inspections may be based upon the risk analysis (risk model developed by LADNR) for the operator's system and operations. This risk based approach could be based upon the inspectors' records, operators' records, historical high risk areas, past operator performance in those areas, etc. Non-routine activities undertaken by the operator such as construction, change of personnel, acquisitions and mergers, and significant changes, etc. in procedures would be activities which could require an inspection prior to the scheduled annual inspection."

8 General Comments:
Info Only = No Points

Info Only Info Only

Evaluator Notes:

No issues were identified with the requirements of Part B of this evaluation.

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):
 484.00
 B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
 220 X 3.64 = 801.17
 Ratio: A / B
 484.00 / 801.17 = 0.60
 If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0
 Points = 5

Evaluator Notes:

Minimum inspection person day to person year ratio was .6 which exceeds .38.

- 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:

Timelines for training have been met or are on track to meet timelines for those who have not completed all of the training. Upon a review of randomly selected inspection reports no instances were found where a lead inspectors did not have the required training. Outside training included LGA Education Seminar, outside training on seminar for Drilling, Tapping and Stopple Procedures and a Cathodic Protection seminar on August 14 & 15, 2018

- 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:

Michael Peikert was named Program Manager in August, 2017. Michael was an Engineer in the LADNR pipeline safety program from 2004 to 2018. He is knowledgeable of the pipeline safety regulations. He has completed the core training classes for gas and hazardous liquid programs and is taking the additional classes for special inspections (OQ, IMP, etc.).

- 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:

The LADNR responded in 36 days. The LADNR addressed the deficiencies described in the letter.

- 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:

The LADNR holds a pipeline safety seminar annually. Also the MADPU conducts an annual Small operator seminar. The LADNR attends the annual LGA operators' conference.

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

Evaluator Notes:

No. The LADNR has not inspected several gas inspection units within the five year time frame. The LA DNR is hopeful with the addition of inspection positions filled that inspection units will be back on schedule by the end of 2019.

7 Did inspection form(s) cover all applicable code requirements addressed on Federal Inspection form(s)? Did State complete all applicable portions of inspection forms? Chapter 5.1 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

Questions on the LADNR's comprehensive inspection form was compared to the federal standard inspection forms (Hazardous Liquid). No discrepancies were found. The LADNR utilizes the federal inspection forms for all other inspection types

8 Did the state review operator records of previous accidents and failures including reported third party damage and leak response to ensure appropriate operator response as required by 195.402(c)(5)? 1 1
Yes = 1 No = 0

Evaluator Notes:

Yes. The LADNR covers 195.402(c)(5) records when conducting comprehensive inspections. The LADNR's comprehensive inspection has a question documenting the review of the operator's records. Upon a review of randomly selected inspection files this question was completed by the inspector.

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

Evaluator Notes:

Yes. The LADNR has procedures titled "Annual Report Data Gathering and Trend Analysis". The engineer on staff reviews the data and compares to previous annual reports. The engineer maintains the Annual Report spreadsheet where data is entered. The inspectors review the annual report as part of the pre-inspection work.

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

Evaluator Notes:

This is covered on Page 3 and 4 of the Comprehensive Inspection Form. Upon a review of randomly selected inspection reports and forms, these questions were completed on the forms.

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

Evaluator Notes:

The LA DNR conducted 6 Drug and Alcohol Inspections during 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 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

The LADNR experienced approximately 45 inspection person days on Hazardous Liquid OQ inspections during 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:

The LADNR spent 83 inspection person-days conducting IMP inspections during 2018.

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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 |
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Evaluator Notes:

The first round of Public Awareness Plan inspections and effectiveness reviews have been completed. The LADNR began a second round of these inspections during 2018.

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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:

Examples are Website, damage prevention conference, LGA two each year, Public Awareness Liaison routinely through state, LA Mid Continent OG Midstream Committee. The website was revised to add updated rules. The LA DNR also launched a mobile friendly layout.

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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:

There were SRCR's listed for gas operators in the Pipeline Data Mart (PDM). The LADNR files contained the SRCR's that were listed in the PDM. The LADNR had documentation that the reports are being followed up.

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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 |
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Evaluator Notes:

There were no instances found where the LADNR did not respond.

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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:

Yes, there is one special permit for an intrastate hazardous liquid pipeline operator. Maurapas (Motiva) has a special permit waiving Subpart H cathodic protection requirements because of the heat insulation installed on the pipeline. The operator is required to run ILI pig annually. The LADNR reviews the pig run results each year.

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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 |
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Evaluator Notes:

Yes, the LADNR attended the National Meeting in Santa Fe, NM.

- 20** Discussion on State Program Performance Metrics found on Stakeholder Communication site ? <http://primis.phmsa.dot.gov/comm/states.htm> 2 2
Needs Improvement = 1 No = 0 Yes = 2
- a. Discussion of Potential Accelerated Actions (AA's) based on any negative trends Yes No Needs Improvement
- b. NTSB P-11-20 Meaningful Metrics Yes No Needs Improvement

Evaluator Notes:

A review was conducted of the performance metrics contained in the Pipeline Data Mart. Excavation damages are trending in a slightly negative direction. The LA DNR is aware of this trend and has placed higher priority on enforcement activity now that the LA DNR has authority over damage prevention enforcement. All other metrics are acceptable at this time when considering the number new inspector hired and the time required to complete training course.

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

Evaluator Notes:

Discussed need to review construction days for adequacy and verify that control room management inspections are being considered for applicable operators and that applicable requirements are known.

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

Evaluator Notes:

There were no flow reversals on intrastate hazardous liquid pipelines during CY2018.

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

Evaluator Notes:

Question C.6 - No. The LADNR has not inspected several gas inspection units within the five year time frame. The LA DNR is hopeful with the addition of inspection positions filled that inspection units will be back on schedule by the end of 2019.

Total points scored for this section: 38
Total possible points for this section: 43



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
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:

Yes. The LADNR has established procedures describing the steps to execute non-compliance actions and communicate the issues to operators. Non-compliance letters to operators provide a description of the steps. The LADNR's inspection and compliance database system is able to monitor the progress of the steps until the inspection file is closed.

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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:

Upon a review of randomly selected inspection reports, no instances were found where the LA DNR did not meet the requirements in a. through f.

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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:

Upon a review of randomly selected inspection reports, no instances were found where the LA DNR did not issue a compliance action.

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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:

Reasonable due process was provided to all parties in the inspection reports that were reviewed in a random sample.

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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:

Yes. The program manager provided a process with pre-determined criteria for the decision to issue a citation and the amount of the civil penalty.

- | | | | |
|---|--|---|---|
| 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, the LADNR has consistently issued civil penalties in past years. \$27,250 in civil penalties were issued in CY2018.

7 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

No issues were found that required a reduction in points for Part D of this evaluation.

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:

The LADNR has procedures titled "GUIDELINES FOR FORMING AN ACCIDENT RESPONSE TEAM". No deficiencies were found in the 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. The LADNR has an established phone number for operators to call in the event of an incident. Operators also have the contact information for inspectors in the LADNR. The Assistant Director and Director will be notified by these methods of contact. They will initiate the needed actions to perform investigations of the incidents/accidents. They are aware of their investigation responsibilities and coordination with federal authorities.

- 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:

The LADNR understands the methods to gather the needed information is an on-site investigation is not required. Upon a review of the reported incidents during 2018, no issues were found with the LADNR's handling of the incident investigations.

- 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:

No issues were identified that resulted in the loss of point

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

Evaluator Notes:

One of the seven incidents resulted in enforcement proceedings. It resulted in a \$1500 (Genesis) penalty.

- 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:

In an email response to the evaluator on May 29/2019, the AID confirmed that the LADNR complied with the requirements of this question.



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

Evaluator Notes:

Yes. The LADNR has shared facts about its investigations at the NAPSRS Southwest Region meeting each year.

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

Evaluator Notes:

There were no issues identified that resulted in a loss of points in Part E of this evaluation.

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:

The MADPU covers this regulatory requirement on Page 38 of its Comprehensive (Standard) Inspection for Hazardous Liquid Pipelines.

- 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:

The MADPU covers this regulatory requirement on Page 38 of its Comprehensive (Standard) Inspection for Hazardous Liquid Pipelines.

- 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:

Adopted the nine elements. The LADNR provides presentation for all stakeholders in the LA Damage Prevention Summit, LA Gas Assoc. and pipeline safety seminar. The LADNR has enforcement since June of 2017.

- 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:

Yes. The LADNR has taken information from the annual reports and entered into a spreadsheet to view trends on excavation damage. The information is also kept at the operator level in order to drill down on troubled operators in relation to damages. Discussions have been held with operators that have poor statistics.

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

Evaluator Notes:

No issues were found that required a reduction in points for 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:
 Elon USA Krotz Springs
 Name of State Inspector(s) Observed:
 Troy Laurent
 Location of Inspection:
 Elon's Refinery in Krotz Springs, LA
 Date of Inspection:
 April 22, 2019
 Name of PHMSA Representative:
 Don Martin

Evaluator Notes:
 The LA DNR conducted a review of the operator's Operator Qualification (OQ) plan and records. The LA DNR inspector observed operator's personnel performing the covered tasks of valve inspections and pipeline locating. The LA DNR inspector utilized Form 14 to conduct the inspection and record results.

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:
 Mark Hollier, Complex Manager, was notified two months prior to the inspection. Mr. Hollier represented the operator during 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) 2 2
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:
 Yes, the LA DNR inspector utilized Form 14 for the OQ Plan Review and Form 15 for the demonstration of performing covered tasks. The forms were followed during the inspection process.

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

Evaluator Notes:
 Yes, Form 14 and 15 were completed. Results of the inspection were documented on the forms.

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, the OQ plan was reviewed to determine the equipment required for each task. The inspector confirmed that the proper equipment was used. The equipment was checked for proper calibration if applicable.

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 inspection involved reviewing the OQ Plan and referenced O&M Procedures. OQ qualification records were reviewed to verify they were up to date. In the field, operator personnel were observed executing selected covered tasks.

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

Evaluator Notes:

Yes, the LA DNR was well versed in the OQ minimum safety standards contained in Part 195. No issues were found with his knowledge.

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

Evaluator Notes:

Yes, an exit interview was held with the operator's representative.

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

Evaluator Notes:

The inspector communicated that there were no probable violations found during the inspection.

10 General Comments: 1) What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) 2) Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) 3) Other Info Only Info Only
 Info Only = No Points

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



- A. Repairs
- B. Signs
- C. Tapping
- D. Valve Maintenance
- E. Vault Maintenance
- F. Welding
- G. OQ - Operator Qualification
- H. Compliance Follow-up
- I. Atmospheric Corrosion
- J. Other

Evaluator Notes:

The scope of this inspection focused on the requirements of Operator Qualifications in Part 195. Performance of valve inspection and pipeline locating covered tasks were observed.

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:
The LADNR is not an interstate agent.

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:
The LADNR 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? 1 NA
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:
The LADNR 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.) 1 NA
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:
The LADNR 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? 1 NA
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:
The LADNR is not an interstate agent.

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:
The LADNR is not an interstate agent.

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:
The LADNR is not an interstate agent.

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

Evaluator Notes:
The LADNR 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)? 1 NA
Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:
The LADNR does not have a 60106 agreement.

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:
The LADNR does not have a 60106 agreement.

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:
The LADNR does not have a 60106 agreement.

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:
The LADNR does not have a 60106 agreement.

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:
The LADNR does not have a 60106 agreement.

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:
The LADNR does not have a 60106 agreement.

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

Evaluator Notes:
The LADNR does not have a 60106 agreement.

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

