



## 2009 Hazardous Liquid State Program Evaluation

for

ARIZONA CORPORATION COMMISSION

### Document Legend

#### PART:

- O -- Representative Date and Title Information
- A -- General Program Qualifications
- B -- Inspections and Compliance - Procedures/Records/Performance
- C -- Interstate Agent States
- D -- Accident Investigations
- E -- Damage Prevention Initiatives
- F -- Field Inspection
- G -- PHMSA Initiatives - Strategic Plan
- H -- Miscellaneous
- I -- Program Initiatives



2009 Hazardous Liquid State Program Evaluation -- CY 2009  
Hazardous Liquid

**State Agency:** Arizona  
**Agency Status:**  
**Date of Visit:** 08/02/2010 - 08/06/2010  
**Agency Representative:** Robert Miller, Pipeline Safety Supervisor  
 Corky Hanson, Pipeline Safety Assistant Supervisor  
**PHMSA Representative:** Glynn Blanton, DOT/PHMSA State Programs  
 Patrick Gaume, DOT/PHMSA State Programs  
**Commission Chairman to whom follow up letter is to be sent:**  
**Name/Title:** Kristin K. Mayes, Chairman  
**Agency:** Arizona Corporation Commission  
**Address:** 1200 West Washington  
**City/State/Zip:** Phoenix, Arizona 85007

**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 2009 (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 certification/agreement attachments provide the basis for determining the state's pipeline safety grant allocation.

**Field Inspection (PART F):**

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 F, the PHMSA representative should include a written summary which thoroughly documents the inspection.

**Scoring Summary**

<b>PARTS</b>	<b>Possible Points</b>	<b>Points Scored</b>
A General Program Qualifications	26	26
B Inspections and Compliance - Procedures/Records/Performance	23.5	23.5
C Interstate Agent States	3	3
D Accident Investigations	6.5	6.5
E Damage Prevention Initiatives	9	9
F Field Inspection	12	12
G PHMSA Initiatives - Strategic Plan	9	9
H Miscellaneous	3	3
I Program Initiatives	9	9
<b>TOTALS</b>	<b>101</b>	<b>101</b>
<b>State Rating</b> .....		<b>100.0</b>

# PART A - General Program Qualifications

Points(MAX) Score

<b>1</b>	Did the state submit complete and accurate information on the attachments to its most current 60105(a) Certification/60106 (a) Agreement? (NOTE: PHMSA Representative to verify certification/agreement attachments by reviewing appropriate state documentation. Score a deficiency in any one area as "needs improvement". Attachment numbers appear in parenthesis) Previous Question A.1, Items a-h worth 1 point each Yes = 8 No = 0 Needs Minor Improvement = 3-7 Needs Major Improvement = 2	8	8
	a. State Jurisdiction and agent status over Hazardous Liquid and CO2 facilities (1)		<input checked="" type="checkbox"/>
	b. Total state inspection activity (2)		<input checked="" type="checkbox"/>
	c. Hazardous Liquid facilities subject to state safety jurisdiction (3)		<input checked="" type="checkbox"/>
	d. Hazardous Liquid pipeline incidents (4)		<input checked="" type="checkbox"/>
	e. State compliance actions (5)		<input checked="" type="checkbox"/>
	f. State record maintenance and reporting (6)		<input checked="" type="checkbox"/>
	g. State employees directly involved in the Hazardous Liquid pipeline safety program (7)		<input checked="" type="checkbox"/>
	h. State compliance with Federal requirements (8)		<input checked="" type="checkbox"/>

SLR Notes:

<b>2</b>	Did the state have an adequate mechanism to receive operator reporting of incidents to ensure state compliance with 60105(a) Certification/60106(a) Agreement requirements (accident criteria as referenced in 195.50? - Mechanism should include receiving "after hours" reports) (Chapter 6) Previous Question A.2 Yes = 1 No = 0	1	1
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SLR Notes:

Yes, Section 1, pages 15-16 in their 2009 Policy and Procedures Manual address the telephonic reporting requirement. The Arizona Corporation Commission's Administrative rule R14-5-203 also address this requirement.

<b>3</b>	Has the state held a pipeline safety T & Q seminar(s) in the last 3 years? (NOTE: Indicate date of last seminar or if state requested seminar, but T&Q could not provide, indicate date of state request for seminar. Seminars must be held at least once every 3 calendar years.) (Chapter 8.5) Previous Question A.5 Yes = 2 No = 0	2	2
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SLR Notes:

The last seminar was held on November 3, 2009 in Phoenix, Arizona and eleven individuals attended the meeting.

<b>4</b>	Were pipeline safety program files well-organized and accessible?(NOTE: This also includes electronic files) (Chapter 5) Previous Question A.6 Yes = 1 No = 0	1	1
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SLR Notes:

Yes, a review of files indicated the information was up to date and well organized. All files are maintained in a security location adjacent to the front office of the organization.

<b>5</b>	Did state records and discussions with the state pipeline safety program manager indicate adequate knowledge of PHMSA program and regulations? (Chapter 4.1, Chapter 8.1) Previous Question A.7 Yes = 2 No = 0 Needs Improvement = 1	2	2
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SLR Notes:

Yes, Robert Miller has many years of experience in pipeline safety and understands the requirements in submitting grant application and payment agreement documents.

<b>6</b>	Did the state respond in writing within 60 days to the requested items in the Chairman's letter following the Region's last program evaluation? (No response is necessary if no items are requested in letter and mark "Yes") (Chapter 8.1) Previous Question A.9 Yes = 1 No = 0	1	1
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SLR Notes:

No response was required in letter to Chairman dated 12-21-2009.

<b>7</b>	What actions, if necessary, did the State initiate as a result of issues raised in the Chairperson's letter from the previous year? Did actions correct or address deficiencies from previous year's evaluation? (Chapter 8.1) Previous Question A.10 Yes = 1 No = 0	1	1
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SLR Notes:

No response was required in letter to Chairman dated 12-21-2009.

## Personnel and Qualifications

<b>8</b>	Has each inspector fulfilled the 3 year T&Q training requirement? If No, has the state been granted a waiver regarding T&Q courses by the Associate Administrator for Pipeline Safety? (NOTE: If the State has new inspectors who have not attended all T&Q courses, but are in a program which will achieve the completion of all applicable courses within 3 years of taking first course (5 years to successfully complete), or if a waiver has been granted by the applicable Region Director for the state, please answer yes.) (Chapter 4.4) Previous Question A.11 Yes = 3 No = 0	3	3
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SLR Notes:

Yes, all AZCC pipeline safety engineers except Michael Bell and Marion Garcia have completed the three year requirement courses. Mr. Bell has until 11/02/2010 to complete course PL 3257, Pipeline Regulation Application and Compliance Procedure and Mr. Garcia has until 12/19/2011 to complete course PL3293, Corrosion Control of Pipeline Systems.

<b>9</b>	Brief Description of Non-T&Q training Activities Info Only = No Points  For State Personnel: Within the first six months from date of employment, each new employee must successfully complete the following In-House Training courses: New Employee training, LPG Inspection, Pipeline Failure Investigation, Pipeline Welding Inspection and Underground Facilities Law.  For Operators: Seventeen Master Meter Class Training courses were conducted during calendar 2009. These classes were held at Tucson, Phoenix, Flagstaff and Prescott, AZ.  For Non-Operator Entities/Parties, Information Dissemination, Public Meetings: Various staff members serve on the following organization and present information on pipelines safety regulations and damage prevention. These organizations are listed below: AZ Response Commission, Phoenix Light Rail Correlating Committee, Manufacturer Housing Community and Phoenix Fire Department.	Info Only	Info Only
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SLR Notes:

<b>10</b>	Did the lead inspectors complete all required T&Q OQ courses and Computer Based Training (CBT) before conducting OQ Inspections? (Chapter 4.4.1) Previous Question A.13 Yes = 1 No = 0	1	1
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SLR Notes:

Yes. The lead inspectors for OQ are Corky Hanson, Alan Borne, Robert Hippe, Ryan Weight, and Eric Villa.

<b>11</b>	Did the lead inspectors complete all required T&Q Integrity Management (IMP) Courses/Seminars and CBT before conducting IMP Inspections? (Chapter 4.4.1) Previous Question A.14 Yes = 1 No = 0	1	1
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SLR Notes:

Yes, Corky Hanson, Robert Miller and Ryan Weight are the lead inspectors and have completed all IMP training courses.

<b>12</b>	Was the ratio acceptable of Total inspection Person-days to Total Person-days charged to the program by state inspectors? (Region Director may modify points for just cause) (Chapter 4.3) Previous Question B.14 Yes = 5 No = 0  A. Total Inspection Person Days (Attachment 2): 60.50  B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7): 220 X 0.60 = 132.00  Ratio: A / B 60.50 / 132.00 = 0.46  If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0 Points = 5	5	5
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SLR Notes:

Yes, total points awarded for this item.

**13** Have there been modifications or proposed changes to inspector-staffing levels? (If yes, describe) Previous Info Only Info Only  
Question B.13  
Info Only = No Points

SLR Notes:

No changes.

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**14** Part-A General Comments/Regional Observations Info Only Info Only  
Info Only = No Points

SLR Notes:

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Total points scored for this section: 26  
Total possible points for this section: 26



**PART B - Inspections and Compliance - Procedures/Records/ Performance** Points(MAX) Score

**Inspection Procedures**

- 1** Does the State have a written inspection plan to complete the following? (all types of operators) (Chapter 5.1) 6.5 6.5  
 Previous Question B.1 + Chapter 5 Changes  
 Yes = 6.5 No = 0 Needs Improvement = 50% Deduction
- a Standard Inspections (Including LNG) (Max points = 2) Yes  No  Needs Improvement
  - b IMP Inspections (Including DIMP) (Max points = .5) Yes  No  Needs Improvement
  - c OQ Inspections (Max points = .5) Yes  No  Needs Improvement
  - d Damage Prevention (Max points = .5) Yes  No  Needs Improvement
  - e On-Site Operator Training (Max points = .5) Yes  No  Needs Improvement
  - f Construction Inspections (Max points = .5) Yes  No  Needs Improvement
  - g Incident/Accident Investigations (Max points = 1) Yes  No  Needs Improvement
  - h Compliance Follow-up (Max points = 1) Yes  No  Needs Improvement

**SLR Notes:**

- Yes,  
 a: Yes, AZ CC 2009 Policy and Procedures book: Section 4, pages 6 &7, Section 5 pages 1&2.  
 b: Yes, AZ CC 2009 Policy and Procedures book: Section 4, pages 6 &7, Section 5 pages 1&2.  
 c: Yes, AZ CC 2009 Policy and Procedures book: Section 4, pages 6 &7, Section 5 pages 1&2.  
 d: Yes, Section 8 & 9. State of Arizona law on Damage Prevention is their check list.  
 e: Yes, Section 7, page 6  
 f: Yes, Section 5 pages 3 & 4. State Rules covers construction.  
 g: Yes, Section 10.  
 h: Yes, Section 5, page 1

- 2** Did the written Procedures for selecting operators adequately address key concerns? (Chapter 5.1) Previous 2 2  
 Question B.2, items a-d are worth .5 point each  
 Yes = 2 No = 0 Needs Improvement = 50% Deduction
- a Length of time since last inspection Yes  No  Needs Improvement
  - b History of Operator/unit and/or location (including leakage , incident and compliance history) Yes  No  Needs Improvement
  - c Type of activity being undertaken by operator (construction etc) Yes  No  Needs Improvement
  - d For large operators, rotation of locations inspected Yes  No  Needs Improvement

**SLR Notes:**

- Yes to items a thru d. A review of AZ CC 2009 Policy and Procedures indicated the following pertaining to the items listed below: a. Section 4, pages 1 & 2, b. Section 5 pages 1 & 2 c. Section 5 pages 3 &4 d. Section 4 page 2 and Section 5 page 1.

**Inspection Performance**

- 3** Did the state inspect all types of operators and inspection units in accordance with time intervals established in its written procedures? (Chapter 5.1) Previous Question B.3 2 2  
 Yes = 2 No = 0

**SLR Notes:**

Yes. Yes, a review of 2010 Certification attachment 1 - Stats on Operators and AZ CC 2009 Policy and Procedures book confirm the time interval were met.

- 4** Did the state inspection form cover all applicable code requirements addressed on the Federal Inspection forms? (Chapter 5.1 (3)) Previous Question B.5 1 1  
 Yes = 1 No = 0

**SLR Notes:**

Yes. A review of the inspections forms contained in the 2009 Policy and Procedure document indicated all items in the federal inspection match their forms. On interstate inspections they use the PHMSA forms. Additionally, all proposed or suggested inspection forms are reviewed by the PHMSA Western office prior to be implemented.

- 5** Did state complete all applicable portions of inspection forms? (Chapter 5.1 (3)) Previous Question B.6 1 1  
 Yes = 1 No = 0

SLR Notes:

Yes, on a review inspection documents located in their file room found this information is being complete.

<b>6</b>	Did the state initiate appropriate follow-up actions to Safety Related Condition Reports? (Chapter 6.3) Previous Question B.7 Yes = .5 No = 0	.5	NA
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SLR Notes:

NA. They did not have any SRCRs in 2009.

<b>7</b>	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) Previous Question B.8 Yes = .5 No = 0	.5	0.5
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SLR Notes:

Yes, per the Arizona Corporation Commission's definition which states, Action corrosion is continuing corrosion which, unless controlled, may result in a condition that is detrimental to public safety".

<b>8</b>	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) Previous Question B.9 Yes = .5 No = 0	.5	0.5
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SLR Notes:

Yes, this is identified and reviewed in the Intrastate Hazardous Liquids Inspection Report form.

<b>9</b>	Is the state aware of environmentally sensitive areas traversed by or adjacent to hazardous liquid pipelines? (reference Part 195, review of NPMS) Previous Question B.16 Yes = .5 No = 0	.5	0.5
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SLR Notes:

Yes, Section 4, pages 1&2 of the Arizona 2009 Policy and Procedures Manual.

<b>10</b>	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)? Previous Question B.11 Yes = 1 No = 0	1	1
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SLR Notes:

Yes, this information is addressed in the Intrastate Hazardous Liquids Inspection Report form. Arizona Corporation Commission's administrative rules require a laboratory test to be used if the cause of the failure could not be determined.

### Compliance - 60105(a) States

<b>11</b>	Did the state adequately document sufficient information on probable violations? (Chapter 5.2) Previous Question B.13 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

Yes, information located in the file folder indicates documentation which includes photo and other relative information is being used to determine probable violations.

<b>12</b>	Does the state have written procedures to identify the steps to be taken from the discovery to the resolution of a probable violation as specified in the "Guidelines for State Participating in the Pipeline Safety Program"? (Chapter 5.1) Previous Question C(1).1 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

Yes, Arizona Corporation Commission's 2009 Policy and Procedures Manual, Section 5 page 1,2,5 & 7

<b>13</b>	Does the state have written procedures to notify an operator when a noncompliance is identified as specified in the "Guidelines for States Participating in the Pipeline Safety Program"? (Chapter 5.1(4)) Previous Question C(1).2 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

Yes, Arizona Corporation Commission's 2009 Policy and Procedures Manual, Section 5 page 1.



<b>14</b>	Does the state have a written procedure for routinely reviewing the progress of compliance actions to prevent delays or breakdowns of the enforcement process, as required by the "Guidelines for States Participating in the Pipeline Safety Program"? (Chapter 5.1(5)) Previous Question C(1).3 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

Yes, Arizona Corporation Commission's 2009 Policy and Procedures Manual, Section 5 page 5.

<b>15</b>	Has the State issued compliance actions for all probable violations discovered? (Note : PHMSA representative has discretion to delete question or adjust points, as appropriate, based on number of probable violations; any change requires written explanation) Previous Question C(1).4 Yes = 1 No = 0	1	1
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SLR Notes:

Yes, a review of the tracking board and an electronic spreadsheet indicate all probable violations are issued a compliance action and monitored until the violations have been corrected. Yes.

<b>16</b>	Did the state follow its written procedures for reviewing compliance actions and follow-up to determine that prompt corrective actions were taken by operators, within the time frames established by the procedures and compliance correspondence, as required by the "Guidelines for States Participating in the Pipeline Safety Program"? Previous Question C(1).5 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

Yes.

<b>17</b>	If compliance could not be established by other means, did state pipeline safety program staff request formal action, such as a "Show Cause Hearing" to correct pipeline safety violations? (check each states enforcement procedures) Previous Question C(1).6 No = 0 Yes = 1	1	NA
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SLR Notes:

NA, No Show Cause Hearings were held in 2009.

<b>18</b>	Did the state adequately document the resolution of probable violations? (Chapter 5.1 (6)) Previous Question C(1).7 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

Yes, their written procedures and files indicate they adequately documented all probable violations.

<b>19</b>	Were compliance actions sent to a company officer? (manager or board member if municipal/government system) (Chapter 5.1(4)) Previous Question C(1).8 Yes = .5 No = 0	.5	0.5
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SLR Notes:

Yes, Section 5 page 1 of the policy and procedures manual requires all correspondence be sent to the company officer or manager/board member if the operator is a municipality or governmental agency.

<b>20</b>	Did the compliance proceedings give reasonable due process to all parties? (check each states enforcement procedures) Previous Question C(1).9 Yes = 1 No = 0 Needs Improvement = .5	1	1
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SLR Notes:

Yes, Section 1 page 3 and Section 5 page 1 address this process in their AZ Corporation Commission's 2009 Policy and Procedures Manual.

### Compliance - 60106(a) States

<b>21</b>	Did the state use the current federal inspection form(s)? Previous Question C(2).1 Yes = 1 No = 0 Needs Improvement = .5	1	NA
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SLR Notes:

<b>22</b>	Are results adequately documented demonstrating inspection units were reviewed in accordance with state inspection plan? Previous Question C(2).2	1	NA
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Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

NA

<b>23</b>	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.) Previous Question C(2).3	1	NA
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Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

NA

<b>24</b>	Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? Previous Question C(2).4	1	NA
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Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

NA

<b>25</b>	Did the state give written notice to PHMSA within 60 days of all probable violations found? Previous Question C(2).5	1	NA
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Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

NA

<b>26</b>	Did the state initially submit adequate documentation to support compliance action by PHMSA on probable violations? Previous Question D(2).6	1	NA
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Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

NA

<b>27</b>	Part B: General Comments/Regional Observations	Info Only	Info Only
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Info Only = No Points

SLR Notes:

Total points scored for this section: 23.5  
 Total possible points for this section: 23.5



# PART C - Interstate Agent States

Points(MAX) Score

**1** Did the state use an inspection form that was approved by the Regional Director? Previous Question C(3).1 1 1  
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

Yes, they are using the federal documents.

**2** Are results documented demonstrating inspection units were reviewed in accordance with "PHMSA directed inspection plan"? Previous Question C(3).2 1 1  
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

Yes.

**3** Did the state submit documentation of the inspections within 60 days as stated in its latest Interstate Agent Agreement form? Previous Question C(3).3 1 1  
Yes = 1 No = 0

SLR Notes:

Yes. No violations were found during calendar 2009.

**4** 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.) Previous Question C(3).4 1 NA  
Yes = 1 No = 0

SLR Notes:

NA

**5** Did the state immediately report to PHMSA conditions which may pose an imminent safety hazard to the public or to the environment? Previous Question C(3).5 1 NA  
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

NA

**6** Did the state give written notice to PHMSA within 60 days of all probable violations found? Previous Question C(3).6 1 NA  
Yes = 1 No = 0

SLR Notes:

NA

**7** Did the state initially submit documentation to support compliance action by PHMSA on probable violations? Previous Question C(3).7 1 NA  
Yes = 1 No = 0 Needs Improvement = .5

SLR Notes:

NA

**8** Part C: General Comments/Regional Observations Info Only Info Only  
Info Only = No Points

SLR Notes:

Total points scored for this section: 3  
Total possible points for this section: 3



# PART D - Accident Investigations

Points(MAX) Score

**1** Are state personnel following the procedures for Federal/State cooperation in case of an accident? (See Appendix in "Guidelines for States Participating in the Pipeline Safety Program") (Chapter 6.1) Previous Question D.1  
 Yes = 1 No = 0 Needs Improvement = .5

**SLR Notes:**

Yes, Section 10, page 3 address this item located in their 2009 Arizona Policy and Procedures Manual.

**2** Are state personnel familiar with the jurisdictional authority and Memorandum of Understanding between NTSB and PHMSA? (See Appendix in "Guidelines for States Participating in the Pipeline Safety Program") (Chapter 6 ? Appendix D) Previous Question D.2  
 Yes = .5 No = 0

**SLR Notes:**

Yes, Section 19 of the Arizona Investigation Manual and Section 10, page 3 of the 2009 Arizona Policy and Procedures Manual address this item.

**3** Did the state keep adequate records of accident notifications received? Previous Question D.3  
 Yes = 1 No = 0 Needs Improvement = .5

**SLR Notes:**

Yes, Arizona Corporation Commission keeps telephonic incident reports by year in a binder and in an electronic data base program located on the commission's computer.

**4** If an onsite investigation of an accident was not made, did the state obtain sufficient information by other means to determine the facts and support the decision not to go on-site? Previous Question D.4  
 Yes = 1 No = 0 Needs Improvement = .5

**SLR Notes:**

Yes, Policy and Procedures Manual, Section 1, page 16 and Telephonic Incident sheet.

**5** Were investigations thorough and conclusions and recommendations documented in an acceptable manner? Previous Question D.5, , comprehensive question worth 2 points total  
 Yes = 2 No = 0 Needs Improvement = 1

- a. Observations Yes  No  Needs Improvement
- b. Contributing factors Yes  No  Needs Improvement
- c. Recommendations to prevent recurrences where appropriate Yes  No  Needs Improvement

**SLR Notes:**

Yes, a review of the Swissport Fueling Inc incident that occurred on April 3, 2009 indicates the investigation was thorough and conclusions were made in an acceptable manner.

**6** Did the state initiate enforcement action for violations found during any accident investigation(s)? Previous Question D.6 Variation  
 Yes = 1 No = 0 Needs Improvement = .5

**SLR Notes:**

Yes, enforcement action was taken and the violations were resolved by formal response and corrective action being taken by the operator.

**7** Did the state assist region office by taking appropriate follow-up actions related to the operator accident (and forward to PHMSA within 10 Days per 195.58) reports to ensure accuracy and final report has been received by PHMSA? (validate annual report data from operators concerning incidents/accidents and investigate discrepancies) (Chapter 6) Previous Question D.7/D.8 and A.4  
 Yes = .5 No = 0

**SLR Notes:**

NA

**8** Part D: General Comments/Regional Observations Info Only Info Only  
 Info Only = No Points

**SLR Notes:**



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Total points scored for this section: 6.5  
Total possible points for this section: 6.5



# PART E - Damage Prevention Initiatives

Points(MAX) Score

- |          |  |   |   |
|----------|--|---|---|
| <b>1</b> | Has the state reviewed directional drilling/boring procedures of each pipeline operator or its contractor to determine if they include actions to protect their facilities from the dangers posed by drilling and other trench less technologies? Previous Question B.12<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|--|---|---|

**SLR Notes:**

Yes, during their Intrastate Hazardous Liquids Pipeline Safety inspection this item is reviewed. Arizona Corporation Commission's in-house training course manual Section13, Major Code Compliance Audit, also address this item under the Damage Prevention check list.

- |          |  |   |   |
|----------|--|---|---|
| <b>2</b> | 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? New 2008<br>Yes = 2 No = 0 | 2 | 2 |
|----------|--|---|---|

**SLR Notes:**

Yes, this was checked during the standard inspections performed by all staff members. This is required by state law and covered in the Arizona Corporation Commission's in-house operator training course.

- |          |   |   |   |
|----------|---|---|---|
| <b>3</b> | Did the state encourage and promote the adoption of the Common Ground Alliance Best Practices document to its regulated companies as a means of reducing damages to all underground facilities? Previous Question A.8<br>Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|----------|---|---|---|

**SLR Notes:**

Yes, the Arizona Corporation Commission has been working with other organizations in promoting best practices and the adoption of the Common Ground Alliance Best Practices Version 7 document. This information is discussed at meetings and during inspections performed on all operators.

- |          |   |   |   |
|----------|---|---|---|
| <b>4</b> | Has the agency or another organization within the state collected data and evaluated trends on the number of pipeline damages per 1,000 locate requests? New 2008<br>Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

**SLR Notes:**

Yes, this is reviewed during the standard inspection performed on the hazardous liquid operators each year.

- |          |   |   |   |
|----------|---|---|---|
| <b>5</b> | Did the state review operators' records of accidents and failures due to excavation damage to ensure causes of failure are addressed to minimize the possibility of recurrence as required by 195.402 (c)(5)?<br>Yes = 2 No = 0 | 2 | 2 |
|----------|---|---|---|

**SLR Notes:**

Yes, this item is reviewed on their standard inspection form entitled, "Hazardous Liquids Pipeline Safety Inspection Report", page 1.

- |          |   |           |           |
|----------|---|-----------|-----------|
| <b>6</b> | Part E: General Comments/Regional Observations<br>Info Only = No Points | Info Only | Info Only |
|----------|---|-----------|-----------|

**SLR Notes:**

Total points scored for this section: 9  
Total possible points for this section: 9



# PART F - Field Inspection

Points(MAX) Score

**1** Operator, Inspector, Location, Date and PHMSA Representative Info Only Info Only  
Info Only = No Points  
 Name of Operator Inspected:  
 West Phoenix Power Plant, opid 31312, (owned by Arizona Public service)  
 Name of State Inspector(s) Observed:  
 Ryan Weight  
 Location of Inspection:  
 West Phoenix Power Plant, 4606 West Hadley Road, Phoenix, AZ 85043  
 Date of Inspection:  
 4/27-30/2010  
 Name of PHMSA Representative:  
 Patrick Gaume

SLR Notes:  
 F.1. West Phoenix Power Plant, opid 31312, (owned by Arizona Public service)  
 Ryan Weight  
 West Phoenix Power Plant, 4606 West Hadley Road, Phoenix, AZ 85043  
 4/27-30/2010  
 Patrick Gaume

**2** Was the operator or operator's representative notified and/or given the opportunity to be present during inspection? New 2008 1 1  
Yes = 1 No = 0

SLR Notes:  
 F.2. yes, and the inspection was held in the Operator's office.

**3** Did the inspector use an acceptable inspection form/checklist and was the form/checklist used as a guide for the inspection? (New regulations shall be incorporated) Previous Question E.2 2 2  
Yes = 2 No = 0

SLR Notes:  
 F.3. yes, use a State Form that includes State Fed requirements but omits many records prompts that are typically NA for Master Meter Operators or Power Plants. AZ is well familiar with the Federal Form and will use it if the inspection reveals a need to use it.

**4** Did the inspector thoroughly document results of the inspection? Previous Question E.3 2 2  
Yes = 2 No = 0

SLR Notes:  
 F.4. yes, he completed the entire State Form and asked enough other questions to determine that the Federal Form was not required. (no AOC, no incidents, no construction, no pipe exposures, etc, since the last inspection.)

**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.) New 2008 1 1  
Yes = 1 No = 0

SLR Notes:  
 F.5. Yes, the inspection was held in the office where the procedures & records were kept. A certified Instrument Tech participated in the Field review and had proper equipment.

**6** What type of inspection(s) did the state inspector conduct during the field portion of the state evaluation? (i.e. Standard, Construction, IMP, etc) New 2008 Info Only Info Only  
Info Only = No Points

SLR Notes:  
 F.6. Yes, It was a Standard Inspection.

**7** Did the inspector adequately review the following during the field portion of the state evaluation? (check all that apply on list) New 2008, comprehensive question worth 2 points total 2 2  
Yes = 2 No = 0 Needs Improvement = 1  
 a. Procedures



- b. Records
- c. Field Activities/Facilities
- d. Other (Please Comment)

SLR Notes:

F.7. Yes, for Procedures, Records, and Field.

**8** Did the inspector have adequate knowledge of the pipeline safety program and regulations? (Liaison will document reasons if unacceptable) Previous Question E.8 2 2  
 Yes = 2 No = 0

SLR Notes:

F.8. Yes, Ryan showed good & adequate knowledge of the pipeline safety program goals and regulations.

**9** 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) Previous Question E.10 1 1  
 Yes = 1 No = 0

SLR Notes:

F.9. Yes, an informal verbal pre-exit interview was held.

**10** During the exit interview, did the inspector identify probable violations found during the inspections? Previous Question E.11 1 1  
 Yes = 1 No = 0

SLR Notes:

F.10. Yes, 5 of the items include: procedures need to specify that new installations need to be piggable, inadequate information is sent to excavators, Procedure missing that requires visual inspection of exposed pipe for external and internal. Lack of AOC procedure review, 4 cp test sites were missed in 2009.

**11** What did the inspector observe in the field? (Narrative description of field observations and how inspector performed) Info Only Info Only  
 Info Only = No Points

SLR Notes:

F.11. Items observed in the field included valves, locks, fences, signs, line markers, CP, & atmospheric corrosion. EMERGENCY PH NUMBER, site security, flange ratings, bolts, pig trap assembly, MOP, valves incl pressure rating, transition zone pipe protection, called the emergency phone number, pipe supports, ROW, rectifiers.

**12** Best Practices to Share with Other States - (Field - could be from operator visited or state inspector practices) Info Only Info Only  
 Info Only = No Points

SLR Notes:

F.12. Nothing was noted during this inspection.

**13** Field Observation Areas Observed (check all that apply) 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

SLR Notes:

F.13. yes, items checked in the field included items f, g, i, k, l, m, p, B, D, & G.

**14** Part F: General Comments/Regional Observations

Info Only Info Only

Info Only = No Points

SLR Notes:

F.14. Haz Liq Mr. Ryan Weight was observed conducting a Standard Inspection of West Phoenix Power Plant, opid 31312. He inspected Procedures, Records, and the Field. He showed professional level knowledge of the pipeline safety program goals and regulations, and he conducted himself cordially and professionally while performing the review.

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



# PART G - PHMSA Initiatives - Strategic Plan

Points(MAX) Score

## Risk base Inspections - Targeting High Risk Areas

1 Does state have process to identify high risk inspection units? 1.5 1.5  
 Yes = 1.5 No = 0

Risk Factors (criteria) to consider may include:

Miles of HCA's, Geographic area, Population Density

Length of time since last inspection

History of Individual Operator units (leakage, incident and compliance history, etc.)

Threats - (Excavation Damage, Corrosion, Natural Forces, Other Outside Forces, Material or Welds, Equipment, Operations, Other)

**SLR Notes:**

Yes, AZ Corporation Commission's 2009 Policy and Procedures address some of these items in Section 4, page 1 & 2. "The Arizona Corporation Commission's Pipeline Safety Section considers all areas of the State of Arizona to be environmentally sensitive, to ensure that the environmental and the people of the State of Arizona are protected to the fullest extent possible. Therefore, all pipeline operators shall be considered as a risk to the environment and or the safety of the citizens of Arizona. All intrastate pipeline operators shall have a standard annual inspection conducted as described in the written auditing procedures. All intrastate and interstate operators shall have an initial OQ and IMP inspection. Field OQ inspection and any follow-up to IMP inspection shall be conducted during the standard annual inspection. It was suggested additional language in the major operators should include the risk rank items listed in the state evaluation form. These items include; population density, geographic area, length of time since last inspected, history of individual operator units on leakage, incident and compliance history and threats. No point reduction was assessed at this time because information was being considered pertaining to risk rating to be added to their policy and procedure manual.

2 Are inspection units broken down appropriately? (see definitions in Guidelines) .5 0.5  
 Yes = .5 No = 0

**SLR Notes:**

A review of AZ Corporation Commission's enforcement policy indicates each inspection unit is checked each year. However, the description and definition of inspection units for a hazardous liquid operator was not included in the 2009 AZ Corporation Commission's Policy and Procedure manual. This information needs to be provided in the manual for clarification and understand to all staff members about the designation of an inspection unit.

3 Does state inspection process target high risk areas? .5 0.5  
 Yes = .5 No = 0

**SLR Notes:**

A review of AZ Corporation Commission's enforcement policy indicate this item was not described. Information needs to be added in the manual for clarification and understand to all staff members or other interested parties about targeting high risk areas on each operator inspected to prevent the loss of points in the 2010 State Program Evaluation.

## Use of Data to Help Drive Program Priority and Inspections

4 Does state use data to analyze effectiveness of damage prevention efforts in the state? (DIRT or other data, etc) .5 0.5  
 Yes = .5 No = 0

**SLR Notes:**

Yes, AZ Corporation Commission receives pipeline safety telephonic incident reports from all stakeholders when any damages occur or complaints are filed on all underground facilities. These reports are reviewed and used as a model to track the effectiveness of their state's damage prevention efforts.

5 Has state reviewed data on Operator Annual reports for accuracy? .5 0.5  
 Yes = .5 No = 0

**SLR Notes:**

Yes, AZ 2009 Policy & Procedure Manual Section 4 page 4 addresses this item. It states, "All major operator annual reports shall be routed to the Pipeline Safety Supervisor or Designee. Reports shall be reviewed by the inspector(s) who are assigned to the audit. The reports shall be reviewed for completeness and accuracy. Annual reports with inaccuracies, inspector assigned will contact operator for corrections and supplemental reports."

6 Has state analyzed annual report data for trends and operator issues? .5 0.5  
 Yes = .5 No = 0

**SLR Notes:**

Yes, AZ 2009 Policy & Procedure Manual Section 4 page 4 addresses this item. It states, "All major operator annual reports shall be routed to the Pipeline Safety Supervisor or Designee. Reports shall be reviewed by the inspector(s) who are assigned to the audit. The reports shall be reviewed for completeness and accuracy. Annual reports with inaccuracies, inspector assigned will contact operator for corrections and supplemental reports."

7 Has state reviewed data on Incident/Accident reports for accuracy? .5 0.5



Yes = .5 No = 0

**SLR Notes:**

Yes, this is reviewed prior to and during the inspections. This review has been helpful in determining areas of concern especially in unaccounted for gas loss and leaks remaining to be repaired at the end of the year.

**8** Does state do evaluation of effectiveness of program based on data? (i.e. performance measures,trends,etc.) .5 0.5

Yes = .5 No = 0

**SLR Notes:**

Yes, AZ has this requirement listed in the In-house training requirement which states, "Upon receiving the incident form Pipeline Safety staff shall review the entire form for correctness and completeness. A hazardous liquid operator shall submit a supplemental report when the operator discovers any additional relevant information. This information will be reviewed and make sure the report is signed and dated by the operator."

**9** Did the State input all operator qualification inspection results into web based database provided by PHMSA in a timely manner upon completion of OQ inspections? .5 0.5

Yes = .5 No = 0

**SLR Notes:**

Yes, this is accomplished by the Pipeline Safety quarterly reports submitted by the program manger to the AZ Corporation Commission Commissioners. Additionally, an annual report is submitted each year to the Commissioners that is filed with the State of Arizona.

**10** Did the State submit their replies into the Integrity Management Database (IMDB) in response to the Operators notifications for their integrity management program? .5 0.5

Yes = .5 No = 0

**SLR Notes:**

Yes, this information was completed by Ryan Weight, AZ Corporation Commission Senior Pipeline Safety Inspector.

**11** Have the IMP Federal Protocol forms been uploaded to the IMDB? Previous Question B.17 .5 NA

Yes = .5 No = 0

**SLR Notes:**

NA. No inspections were performed.

**12** Did the State use the Federal Protocols to conduct IMP Inspections? (If the State used an alternative inspection form(s) please provide information regarding alternative form(s)) Previous Question C(2).6 .5 NA

Yes = .5 No = 0

**SLR Notes:**

NA. No inspections were performed.

**13** Has state confirmed transmission operators have submitted information into National Pipeline Mapping System (NPMS) database along with any changes made after original submission? .5 0.5

Yes = .5 No = 0

**SLR Notes:**

Yes, AZ Corporation Commission has confirmed Southwest Gas, SwissPort, Arizona Public Service and Plains LPG Services have submitted this information during or prior to an inspection being performed.

## Accident/Incident Investigation Learning and Sharing Lessons Learned

**14** Has state shared lessons learned from incidents/accidents? (i.e. NAPSRS meetings and communications) .5 0.5

Yes = .5 No = 0

**SLR Notes:**

Yes, Arizona participates in request for comments concerning incidents and failures; they provide assistance to all who request this information. Arizona participates in NAPSRS and serves on PPDC. Information on incident and accidents is presented at the annual Western Region Meeting. Program manager has attended the National Distribution Construction Workshop and Corky Hanson is a member of ASME B31Q committee.

**15** Does the State support data gathering efforts concerning accidents? (Frequency/Consequence/etc) .5 0.5

Yes = .5 No = 0

**SLR Notes:**

Yes, they participate in all NAPSRS and other data committees. Response to all requests from PHMSA and NAPSRS on data pertaining to data request.



**16** Does state have incident/accident criteria for conducting root cause analysis? Info Only Info Only  
Info Only = No Points

**SLR Notes:**

Yes, they have an in-house training course which requires the inspector to determine cause using an investigative tree along with a state law that addresses laboratory analysis. AZ Corporation Commission Administrative Law Section R-14-202(S).

**17** Does state conduct root cause analysis on incidents/accidents in state? Info Only Info Only  
Info Only = No Points

**SLR Notes:**

Yes, this is a part of their investigative process.

**18** Has state participated on root cause analysis training? (can also be on wait list) .5 0.5  
No = 0 Yes = .5

**SLR Notes:**

Yes, Robert Miller has attended the course on April, 2010. Alan Borne and Ryan Weight are scheduled September 13, 2010 to attend the root cause analysis training course.

## Transparency - Communication with Stakeholders

**19** Other than pipeline safety seminar does State communicate with stakeholders? (Communicate program data, pub awareness, etc.) .5 0.5  
Yes = .5 No = 0

**SLR Notes:**

Yes, this is accomplished by Arizona One Call Center, AZ Emergency Response Committee Advisory Board, participate in operators public awareness meeting, Arizona Common Ground Alliance, Damage Prevention Public Awareness Seminars, and other associated organization and committees dealing with pipeline safety matters.

**20** Does state share enforcement data with public? (Website, newsletters, etc.) .5 0.5  
Yes = .5 No = 0

**SLR Notes:**

Yes, this is accomplished through the Arizona CC public docket on their website. Additional information on general data is available on their general website. Detailed specific information can be obtained by FOI.

**21** Part G: General Comments/Regional Observations Info Only Info Only  
Info Only = No Points

**SLR Notes:**

Question G3: A review of AZ Corporation Commission's enforcement policy indicates this item was not described. Information needs to be added in the manual for clarification and understand to all staff members or other interested parties about targeting high risk areas on each operator inspected. A loss of .5 points is assessed due to not having this item in the procedures manual.

Total points scored for this section: 9  
Total possible points for this section: 9



**PART H - Miscellaneous**

**Points(MAX) Score**

**1** What were the major accomplishments for the year being evaluated? (Describe the accomplishments, NAPS  
Activities and Participation, etc.) Previous Question A.15 .5 0.5  
Yes = .5 No = 0

**SLR Notes:**

Robert Miller served as Vice-Chair of the NAPS Western Region. He participated in both the NAPS Region and National Meeting. Robert is an active member on the PPDC. Corky Hanson is a member of the NAPS Data Team B31Q Team and serves on the Arizona Emergency Response Committee. Staff members have participated in AZ Blue Stake ticket resolution committee making improvements in damage prevention. Staff has also participated in Phoenix light rail corrosion committee work in presenting information on corrosion control measures. AZ CC has conducted 17 master meter training seminars at several different locations throughout the State of Arizona. AZCC has created and conducted an in-house inspector training class for their staff members to use when performing inspections on major operator inspections. Robert Miller serves on the PHMSA T&Q training needs committee making recommendations on proposed topics and courses to be developed for training state and federal inspectors. Robert Hippe served on the API 1104 committee providing information on making improvements in welding.

**2** What legislative or program initiatives are taking place/planned in the state, past, present, and future? (Describe .5 0.5  
initiatives (i.e. damage prevention, jurisdiction/authority, compliance/administrative, etc.) A.16  
Yes = .5 No = 0

**SLR Notes:**

AZ CC administrative rules are in the process of being updated. Proposed changes will include additional telephonic requirements to all gas, liquid and master meter operators to provide additional on reporting requirements pertaining to outage and evaluation. Additional rule changes will include master meter operators having to provide information on abandonment of pipelines in the areas they provide serve and a requirement that all pipelines to be cathodic protected immediately after being installed. This is a more stringent requirement that the federal regulations.

**3** Any Risk Reduction Accomplishments/Projects? (i.e. Replacement projects,bare steel,third-party damage .5 0.5  
reductions, HCA's/USA mapping, internal corrosion, etc.)  
Yes = .5 No = 0

**SLR Notes:**

Yes, Swissport Fueling Inc. has initiated a corrosion control program to reduce potential damage to the hydrant risers located at the Phoenix Sky Harbor Airport. AZ CC is monitoring the coatings being used and assisting in evaluating the results of test being conducted pertaining to the coatings.

**4** Did the state participate in/respond to surveys or information requests from NAPS or PHMSA? 1 1  
Yes = 1 No = 0

**SLR Notes:**

Yes, AZCC is participating and providing information to all NAPS & PHMSA surveys and questionnaires. Additional request through FOI or other organizations is being provided on a one to one request.

**5** Sharing Best Practices with Other States - (General Program) .5 0.5  
Yes = .5 No = 0

**SLR Notes:**

Information requested from California State Fire Marshalls Office and PHMSA Western Region Office on the Swissport Fueling hydrant riser issue has been provided to them. This information is assisting them in determining if other airport locations have similar corrosion control issues.

**6** Part H: General Comments/Regional Observations Info Only Info Only  
Info Only = No Points

**SLR Notes:**

Total points scored for this section: 3  
Total possible points for this section: 3



## PART I - Program Initiatives

Points(MAX) Score

### Drug and Alcohol Testing (49 CFR Part 199)

- |          |   |   |   |
|----------|---|---|---|
| <b>1</b> | Has the state verified that operators have drug and alcohol testing programs?<br>Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

Yes, this is identified during the standard inspection performed on all hazardous liquids operators. They use the following forms entitled, "Field Inspection Form Anti-Drug Program and Field Inspection Form Alcohol Misuse Prevention Program". These forms address all the requirements in Part 199.

- |          |  |    |     |
|----------|--|----|-----|
| <b>2</b> | Is the state verifying that operators are conducting the drug and alcohol tests required by the operators program (random, post-incident, etc.)<br>Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

Yes, this requirement is accomplished in the Anti-Drug and Alcohol Misuse Prevention Program forms used by the inspector.

- |          |   |    |     |
|----------|---|----|-----|
| <b>3</b> | Is the state verifying that any positive tests are responded to in accordance with the operator's program?<br>Yes = .5 No = 0 | .5 | 0.5 |
|----------|---|----|-----|

SLR Notes:

Yes, this is accomplished by the Field Inspection Form Anti-Drug Program and Field Inspection Form Alcohol Misuse Prevention Program.

### Qualification of Pipeline Personnel (49 CFR Part 192 Subpart N)

- |          |   |   |   |
|----------|---|---|---|
| <b>4</b> | Has the state verified that operators have a written qualification program?<br>Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

A review of Plains LPG Services inspection performed by Arizona Corporation Commission (AZCC) on September 1, 2009 indicated the operator's written operator qualification program was reviewed. AZCC uses PHMSA (OQ) Field Inspection form 15 to accomplish this requirement. All hazardous liquid operators were reviewed in 2009 for compliance with the OQ requirement.

- |          |  |    |     |
|----------|--|----|-----|
| <b>5</b> | Has the state reviewed operator qualification programs for compliance with PHMSA rules and protocols?<br>Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

Yes, a review of their files indicated all operators were checked for compliance with PHMSA rules and regulation on the operator qualification program. This was accomplished during the standard inspection that is performed each year on all operators.

- |          |  |    |     |
|----------|--|----|-----|
| <b>6</b> | Is the state verifying that persons who perform covered tasks for the operator are qualified in accordance with the operator's program?<br>Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

Yes, this is accomplished during the standard inspection performed on all operators.

- |          |  |    |     |
|----------|--|----|-----|
| <b>7</b> | Is the state verifying that persons who perform covered task for the operator are requalified at the intervals specified in the operator's program?<br>Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

Yes, this is accomplished during the standard inspection performed on all operators.

### Hazardous Liquid Pipeline Integrity Management (49 CFR Part 195.452)

- |          |   |   |   |
|----------|---|---|---|
| <b>8</b> | Has the state verified that all operators with hazardous liquid pipelines have adopted an integrity management program (IMP)?<br>Yes = 1 No = 0 | 1 | 1 |
|----------|---|---|---|

SLR Notes:

Yes, this was accomplished by having the three hazardous liquid operators file with Arizona Corporation Commission their integrity management program documents. Also, they performed an initial inspection on the operators and review the programs.

- |          |  |    |     |
|----------|--|----|-----|
| <b>9</b> | Has the state verified that in determining whether a plan is required, the operator properly applied the definition of a high consequence area?<br>Yes = .5 No = 0 | .5 | 0.5 |
|----------|--|----|-----|

SLR Notes:

Yes, two of the three hazardous liquid operators have HCA's. The HCA's were verified by staff members during the inspections performed on the facilities.

<b>10</b>	Has the state reviewed operator IMPs for compliance with 195.452? <small>Yes = .5 No = 0</small>	.5	0.5
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SLR Notes:

Yes, this was accomplished by reviewing the three hazardous liquid operator's filings and documents submitted with them and field verifications.

<b>11</b>	Is the state monitoring operator progress on the inspections, tests and remedial actions required by the operator's IMP, which includes the manner and schedule called for in its IMP? <small>Yes = .5 No = 0</small>	.5	0.5
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SLR Notes:

Yes, this was accomplished by reviewing the three hazardous liquid operator's filings and documents submitted to them and field verifications.

<b>12</b>	Is the state verifying operators are periodically examining their hazardous liquid pipelines for the appearance of new HCAs? <small>Yes = .5 No = 0</small>	.5	0.5
-----------	--	----	-----

SLR Notes:

Yes, Arizona Corporation Commission reviewed Plains LPG Services for the appearance of new HCAs on September 1, 2009.

### Public Awareness (49 CFR Section 195.440)

<b>13</b>	Has the state verified that each operator has developed a continuing public awareness program (due date was 6/20/06 for most operators, 6/20/07 for certain very small operators)? <small>Yes = .5 No = 0</small>	.5	0.5
-----------	--	----	-----

SLR Notes:

Yes, AZCC verified this information through the Clearinghouse and performed a follow-up with the operator via the standard inspection format.

<b>14</b>	Has the state reviewed the content of these programs for compliance with 195.440 (by participating in the Clearinghouse or by other means)? <small>Yes = .5 No = 0</small>	.5	0.5
-----------	---	----	-----

SLR Notes:

Yes, AZCC verified this information through the Clearinghouse and performed a follow-up with the operator via the standard inspection format.

<b>15</b>	Is the state verifying that operators are conducting the public awareness activities called for in its program? <small>Yes = .5 No = 0</small>	.5	0.5
-----------	---	----	-----

SLR Notes:

Yes, AZCC verified this information through the Clearinghouse and performed a follow-up with the operator via the standard inspection format.

<b>16</b>	Is the state verifying that operators have evaluated their public awareness programs for effectiveness as described in RP1162? <small>Info Only = No Points</small>	Info Only	Info Only
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SLR Notes:

Yes, AZCC is working with the operator in reviewing the operator's surveys and other educational campaigns on the effectiveness of their programs. The three hazardous liquid operators perform door to door surveys and public awareness items with each customer located along their transmission line.

<b>17</b>	Part I: General Comments/Regional Observations <small>Info Only = No Points</small>	Info Only	Info Only
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SLR Notes:

Total points scored for this section: 9  
Total possible points for this section: 9

