

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

2016 Hazardous Liquid State Program Evaluation

for

INDIANA UTILITY REGULATORY COMMISSION

Document Legend

PART:

- O -- Representative Date and Title Information
- A -- Progress Report and Program Documentation Review
- B -- Program Inspection Procedures
- C -- Program Performance
- D -- Compliance Activities
- E -- Accident Investigations
- F -- Damage Prevention
- G -- Field Inspections
- H -- Interstate Agent State (if applicable)
- I -- 60106 Agreement State (if applicable)



2016 Hazardous Liquid State Program Evaluation -- CY 2016
Hazardous Liquid

State Agency: Indiana

Agency Status:

Date of Visit:

Agency Representative:

PHMSA Representative:

Commission Chairman to whom follow up letter is to be sent:

Name/Title:

Agency:

Address:

City/State/Zip:

Rating:

60105(a): Yes **60106(a):** No **Interstate Agent:** No

INSTRUCTIONS:

Complete this evaluation in accordance with the Procedures for Evaluating State Pipeline Safety Program. The evaluation should generally reflect state program performance during CY 2016 (not the status of performance at the time of the evaluation). All items for which criteria have not been established should be answered based on the PHMSA representative's judgment. A deficiency in any one part of a multiple part question should be scored as needs improvement. Determine the answer to the question then select the appropriate point value. If a state receives less than the maximum points, include a brief explanation in the space provided for general comments/regional observations. If a question is not applicable to a state, select NA. Please ensure all responses are COMPLETE and ACCURATE, and OBJECTIVELY reflect state program performance. Increasing emphasis is being placed on performance. This evaluation together with selected factors reported in the state's annual progress report attachments provide the basis for determining the state's pipeline safety grant allocation.

Field Inspection (PART G):

The field inspection form used will allow different areas of emphasis to be considered for each question. Question 13 is provided for scoring field observation areas. In completing PART G, the PHMSA representative should include a written summary which thoroughly documents the inspection.

Scoring Summary

PARTS	Possible Points	Points Scored
A Progress Report and Program Documentation Review	10	10
B Program Inspection Procedures	13	13
C Program Performance	41	39
D Compliance Activities	15	15
E Accident Investigations	10	10
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	109	107
State Rating		98.2



PART A - Progress Report and Program Documentation Review

Points(MAX) Score

1	Accuracy of Jurisdictional Authority and Operator/Inspection Units Data - Progress Report Attachment 1 Yes = 1 No = 0 Needs Improvement = .5	1	1
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Evaluator Notes:

A1. Yes. Attachment 1 is consistent with internal records & with Attachments 3 and 8.

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

A2. Yes. Attachment 2 is consistent with internal records (two databases that were exported to a spreadsheet & checked for discrepancies).

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:

A3. Yes. Attachment 3 is consistent with internal records.

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:

A4. Yes. Attachment 4 is correct and agrees with DataMart.

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

A5. Yes. Attachment 5 is consistent with internal records.

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:

A6. Yes. All records in Attachment 6 are now electronic, but several of these records also have paper files. The paper files are becoming archives. Recommendation: re-label the Records listed in Attachment 6 to better align with the way the Division keeps the files now.

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:

A7. Yes. Attachment 7 appears to be consistent with internal records

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

A8. Yes. Attachment 8 is consistent with IN LAW.



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:

A9. Yes. Attachment 10 is a well-developed report.

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

Evaluator Notes:

A10. Yes. The IURC has done well in regards to documenting and tracking inspection activities for its one jurisdictional Hazardous Liquid operator's annual reporting. The 2016 Annual Progress Report was complete and accurate. The IURC has leveraged its new CRM platform to effectively report on and track pipeline safety data and information. Also, in Attachment 10 of the Annual Progress Report (Performance and Damage Prevention Questions), it is clear the IURC has a strong Damage Prevention Program.

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



PART B - Program Inspection Procedures

Points(MAX) Score

-
- | | | | |
|---|--|---|---|
| 1 | Standard Inspection procedures should give guidance to state inspectors that insure consistency in all inspections conducted by the state? The following elements should be addressed at a minimum - pre-inspection activities, inspection activities, post-inspection activities. | 2 | 2 |
|---|--|---|---|

Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

B1. Yes. Inspection procedures including risk model, selection, assignment, pre-inspection, inspection, post inspection, write up, violation handling & closing for all types of inspections are described in Sections V & VI of the program manual.

- | | | | |
|---|---|---|---|
| 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. | 1 | 1 |
|---|---|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

B2. Yes. Inspection procedures including risk model, selection, assignment, pre-inspection, inspection, post inspection, write up, violation handling & closing for all types of inspections are described in Sections V & VI of the program manual.

- | | | | |
|---|--|---|---|
| 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. | 1 | 1 |
|---|--|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

B3. Yes. Inspection procedures including risk model, selection, assignment, pre-inspection, inspection, post inspection, write up, violation handling & closing for all types of inspections are described in Sections V & VI of the program manual.

- | | | | |
|---|---|---|---|
| 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. | 1 | 1 |
|---|---|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

B4. Yes. Inspection procedures including risk model, selection, assignment, pre-inspection, inspection, post inspection, write up, violation handling & closing for all types of inspections are described in Sections V & VI of the program manual. In addition, IURC has developed a Damage Prevention Inspection Form which is used as an addendum to the standard inspection form and expands the Damage Prevention review.

- | | | | |
|---|--|---|---|
| 5 | Any operator training conducted should be outlined and appropriately documented as needed. | 1 | 1 |
|---|--|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

B5. Yes. Operator Training is addressed in Section V of the program manual under its own sub-heading.

- | | | | |
|---|--|---|---|
| 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. | 1 | 1 |
|---|--|---|---|

Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

B6. Yes. Inspection procedures including risk model, selection, assignment, pre-inspection, inspection, post inspection, write up, violation handling & closing for all types of inspections are described in Sections V & VI of the program manual. Construction Inspection is addressed in Section V of the program manual under its own sub-heading.

- 7 Does inspection plan address inspection priorities of each operator, and if necessary each unit, based on the following elements? 6 6
 Yes = 6 No = 0 Needs Improvement = 1-5
- a. Length of time since last inspection (Within five year interval) Yes No Needs Improvement
 - b. Operating history of operator/unit and/or location (includes leakage, incident and compliance activities) Yes No Needs Improvement
 - c. Type of activity being undertaken by operators (i.e. construction) Yes No Needs Improvement
 - d. Locations of operators inspection units being inspected - (HCA's, Geographic area, Population Density, etc) Yes No Needs Improvement
 - e. Process to identify high-risk inspection units that includes all threats - (Excavation Damage, Corrosion, Natural Forces, Outside Forces, Material and Welds, Equipment, Operators and any Other Factors) Yes No Needs Improvement
 - f. Are inspection units broken down appropriately? Yes No Needs Improvement

Evaluator Notes:

B7. Yes. See Section IV of the program manual, specifically the sub-heading, "Data-Driven Risk Model and subsequent Inspection Plan".

8 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

B8. Yes. The IURC's operating procedures manual provides acceptable guidance and documentation for their program. Implementation of the agency's new Information Technology platform led to updates to the procedures which adequately demonstrate the divisions current processes. The program's data-driven risk model, which drives the annual Inspection Plan, is well established and is effective in determining the relative risk associated with operators and their corresponding inspection units.

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):
 34.00
 B. Total Inspection Person Days Charged to the Program (220 X Inspection Person Years) (Attachment 7):
 220 X 0.16 = 35.20
 Ratio: A / B
 34.00 / 35.20 = 0.97
 If Ratio >= 0.38 Then Points = 5, If Ratio < 0.38 Then Points = 0
 Points = 5

Evaluator Notes:

C1. Yes. 34 AFOD, 0.16 inspector-years, 34/(.16*220)=.966, >.38 okay. HL program is very small, only one operator, and AFO inspector time is generally all that is charged against the program.

- 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:

C2. Yes. All inspectors with 3+ years have completed their training, including Standard, OQ, & DIMP. Some inspectors are qualified to lead LIMP. New inspectors are in the training cycle. Five inspectors have Root Cause Training. All Inspectors attend one of the Purdue NACE corrosion courses annually. Only qualified inspectors serve as the Lead.

- 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:

C3. Yes. Steve & Bill make a great tag team! They are running a fine program. They show great knowledge.

- 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:

C4. Yes. The Chairman letter was 10/25/2016, the Chairman response was 12/8/2016. The response addressed the three items of concern.

- 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:

C5. Yes, in June of 2015. Practice was for every other year. One is scheduled for 2018.

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



Evaluator Notes:

C6. Yes. Reviewed for Standard, LIMP, GIMP, DIMP, PAPEI, CRM, & OQ; All okay.

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

C7. Yes. Reviewed 8 inspections, most of which had NOPV, and found them to be in order. I strongly recommended that PHMSA Form 11 be used in future significant incident/accident investigations as it is more complete than what IURC is currently using. Inspections reviewed were: #10071, 9901, 10055, 10076, 9601, 10058, 10067, & 9454.

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

C8. Yes, Yes. It is on the Std Insp Form- #3; pg 8 of 26 Part 195.402(c) (5), & in the IA PHMSA Form 3 module, question 2, pg 4, in Procedures-Normal Operations.

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

C9. Yes. Yes. The annual reports are scored against a checklist, and data from the annual reports is used in the Risk Model.

10	Did state input all applicable OQ, LIMP inspection results into federal database in a timely manner? This includes replies to Operator notifications into IMDB database. Chapter 5.1 Yes = 2 No = 0 Needs Improvement = 1	2	2
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Evaluator Notes:

C10. Yes, the OQ, GIMP, DIMP, & LIMP databases were reviewed and are properly populated.

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

C11. Yes. Annual report mileage is compared to NPMS mileage for all transmission operators as an annual exercise.

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

C12. NO, 0 of 2 points. Detailed review of Country Mark, the HL operator, shows that a D&A inspection has not been performed.

13	Is state verifying operators OQ programs are up to date? This should include verification of any plan updates and that persons performing covered tasks (including contractors) are properly qualified and requalified at intervals determined in the operators plan. 49 CFR 195 Part G Yes = 2 No = 0 Needs Improvement = 1	2	2
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Evaluator Notes:

C13. Yes. Full OQ re-inspections are current; OQ Field inspections are part of most Standard Inspections.



- 14** 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?). 49 CFR 195.452 Appendix C
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

C14. Yes. The GIMP, LIMP, & DIMP re-inspections are current, HCA and new constructions are investigated relative to IMP during most standard inspections.

- 15** 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 have been completed by December 2013. PAPEI Effectiveness Inspections should be conducted every four years by operators. 49 CFR 195.440
Yes = 2 No = 0 Needs Improvement = 1

Evaluator Notes:

C15. Yes. The PAPEI inspections were finished in 2013, and Public Awareness is touched on during all Standard Inspections.

- 16** 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

Evaluator Notes:

C16. Yes, bi-annual TQ Safety Seminars, email announcements as appropriate, ad hoc & inspection training, MM training seminars, Participation in Indiana Damage Prevention Councils, Participation in the Indiana 811 Association, Participation in the Indiana Pipeline Awareness Association, and has a website for information for all stakeholders.

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

Evaluator Notes:

C17. NA. no SRC in 2016. There have been no intrastate HL SRC since 2010, perhaps forever.

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

Evaluator Notes:

C18. Yes. IURC responds to all NAPSRS requests.

- 19** 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

Evaluator Notes:

C19. NA. There were no waivers issued for the HL program.

- 20** Did the state attend the National NAPSRS Board of Directors Meeting in CY being evaluated?
Needs Improvement = .5 No = 0 Yes = 1

Evaluator Notes:

C20. Yes. Steve & Bill attended Nat'l NAPSRS, and Steve became Past Chairman of the NAPSRS Board.

- 21** 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:

C21. Yes. The metrics are reviewed. This information is also available from Annual Reports. The graphs are helpful. There are no negative trends that can't be readily explained. Actually, improvements are being seen. Several of the metrics are fed into the inspection risk model and influence who is visited more frequently and which inspection will be done. NTSB P-11-20 Meaningful Metrics has been read and understood, and IURC supports using these metrics as a monitoring and risking resource.

- 22** Discussion with State on accuracy of inspection day information submitted into State Inspection Day Calculation Tool. (No points) Info Only Info Only
Info Only = No Points

Evaluator Notes:

C22. The SCIT exercise was worthwhile. The SCIT predicted what IURC does pretty well, even better than expected. The iterative process will only require minor tweaks.

- 23** Did the State verify Operators took appropriate action regarding Pipeline Flow Reversals, Info Only Info Only Product Changes and Conversions to Service? See ADP-2014-04 (No Points)
Info Only = No Points

Evaluator Notes:

C23. NA. No operators in Indiana had flow reversals in 2016, nor are any expected soon. IURC has notified operators to consider and model effects of flow reversals when such activities are planned.

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

Evaluator Notes:

C24. Yes. The IURC has developed a detailed risk model as well as a system for tracking and scheduling inspections. The overall number of inspection days completed by the IURC was acceptable based on the number of dedicated pipeline safety inspection staff and the number of operators, miles of main and number of services within the state. The agency's new IT platform has provided the division with a good method for tracking inspection activities as well as inspection related data and documentation.

Total points scored for this section: 39
Total possible points for this section: 41



PART D - Compliance Activities

Points(MAX) Score

- | | | | |
|----|--|--------------------------------------|--|
| 1 | Does the state have written procedures to identify steps to be taken from the discovery to resolution of a probable violation? Chapter 5.1
Yes = 4 No = 0 Needs Improvement = 1-3 | 4 | 4 |
| a. | Procedures to notify an operator (company officer) when a noncompliance is identified | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| b. | Procedures to routinely review progress of compliance actions to prevent delays or breakdowns | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |
| c. | Procedures regarding closing outstanding probable violations | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |

Evaluator Notes:

D1. Yes. See Section VI in the Program Manual.

- | | | | |
|----|--|--------------------------------------|--|
| 2 | Did the state follow compliance procedures (from discovery to resolution) and adequately document all probable violations, including what resolution or further course of action is needed to gain compliance? Chapter 5.1
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. | Were applicable civil penalties outlined in correspondence with operator(s) | Yes <input checked="" type="radio"/> | No <input type="radio"/> Needs Improvement <input type="radio"/> |

Evaluator Notes:

D2. Yes. The process as described in Section VI is used every time.

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

Evaluator Notes:

D3. Yes. The violations found were identified in the violation letters.

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

D4. Yes. Due process is given to all.

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

D5. Yes. IURC has developed a matrix for fine assessment.

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

Evaluator Notes:

D6. Yes. Assessed \$180,000 fine in CY2013, and assessed a \$900,000 fine in early CY2017 in its NG program.

- | | | | |
|---|--|---|-----------|
| 7 | General Comments:
Info Only = No Points | 1 | Info Only |
|---|--|---|-----------|

Evaluator Notes:

D7. Yes. The IURC has demonstrated the use of several types enforcement methods to ensure operator compliance with pipeline safety regulations. The IURC works in collaboration with operators to achieve compliance in addition to the use of Warning Letters, Notices of Probable Violations, the issuance of civil fines, etc.

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:

E1. Yes. See Section IX of the Program Manual.

- 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:

E2. Yes. The 24 hr no. is 317-232-2707. IURC is very aware of appendix D & E. The website has the phone number for the reporting of incidents/accidents.

- 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:

E3. Yes. Most significant incidents/accidents are investigated on-site. The others are reviewed telephonically, with emails, with 30 day reports, and with other timely written reports.

- 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:

E4. Yes, Attachment 4 of the Base Grant Progress Report is adequate, and the Incident/Accident files are complete.

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

Evaluator Notes:

E5. NA. There were no reportable accidents in CY 2016.

- 6 Did the state assist region office by taking appropriate follow-up actions related to the operator accident reports to ensure accuracy and final report has been received by PHMSA? (validate report data from operators concerning incidents/accidents and investigate discrepancies) Chapter 6 1 1
 Yes = 1 No = 0 Needs Improvement = .5

Evaluator Notes:

E6. Yes, Appendix E in the Guidelines is understood and IURC will assist whenever requested.

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



Evaluator Notes:

E7. Yes, during the Central Region NAPSIR meetings.

8 General Comments:

Info Only Info Only

Info Only = No Points

Evaluator Notes:

E8. Yes. There were no HL significant accidents in 2016. Procedures and training are in place to respond to accidents as they occur.

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



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

Evaluator Notes:

F1. Yes, It is a question on the Std Insp Form

- | | | | |
|---|---|---|---|
| 2 | Did the state inspector check to assure the pipeline operator is following its written procedures pertaining to notification of excavation, marking, positive response and the availability and use of the one call system?
Yes = 2 No = 0 Needs Improvement = 1 | 2 | 2 |
|---|---|---|---|

Evaluator Notes:

F2. Yes, the questions are on the IN State -Damage Prevention Form which is used as an addendum to every Standard Inspection.

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

Evaluator Notes:

F3. Yes, the IURC is actively engaged with the various Damage Prevention Councils that exist throughout the state. They are also actively engaged with the state's Underground Plant Protection Advisory Committee and are aggressively enforcing the state's One-Call Law.

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

Evaluator Notes:

F4. Yes, 'hits per thousand' is rolled into the risk management model.

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

Evaluator Notes:

F5. In Indiana, fines collected for One-Call violations are dedicated to damage prevention efforts through the Underground Plant Protection Account. This is accomplished by developing programs related to Public Awareness, Training, and Incentives designed to reduce excavation damages. IURC has also developed a specific Damage Prevention Inspection Form and holds all operators accountable for damage prevention through inspections and enforcement of the state's One-Call law. Damage prevention is a high priority for the IURC and they have assessed numerous small fines to encourage compliance with Damage Prevention; as such it has issued more than 2.7M\$ in fines and collected more than 2M\$ from 1712 individual penalties since inception in 2012; for an average of \$1577 collected per penalty.

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 OnlyInfo Only
 Info Only = No Points
 Name of Operator Inspected:
 Country Mark, opid 26049
 Name of State Inspector(s) Observed:
 Chuck Weindorf, Rich Medcalf, & Bill Boyd
 Location of Inspection:
 8" pipeline bore site, at US-40, near 2268 W us-40, Clayton, IN 46118
 Date of Inspection:
 8/15/2017
 Name of PHMSA Representative:
 Patrick Gaume

Evaluator Notes:
 G1. Country Mark, opid 26049 Chuck Weindorf, Rich Medcalf, & Bill Boyd, 8" pipeline bore site, at US-40, near 2268 W us-40, Clayton, IN 46118. 8/15/2017, Patrick Gaume

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:
 G2. Yes. It was scheduled, thirteen operator personnel were present, & it was at their location.

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:
 G3. Yes, an IN State Form which included applicable parts of the federal Construction Form 7, HL construction form.

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

Evaluator Notes:
 G4. Yes, every item inspected was documented. The inspection will be completed at a later date.

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:
 G5. Yes, pipe, welders, welding equipment, backhoe & chain, pipe supports, radiographic crew, company inspector, supervisory & compliance personnel.

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:
 G6. Yes, procedures, records & Field. This was an on-site inspection of a pending pipe replacement bore under US-40 and included review of records and procedures that were available on-site.



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:

G7. Yes, Chuck Weindorf demonstrated knowledge and thoroughness while conducting & leading the inspection.

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:

G8. Yes, Procedures need more detail concerning the welding procedure to be used, the radiographic procedure needs to state that the actual procedure used will be based on a test x-ray at the start of the on-site x-ray inspections. The procedure needs correction as the MOP is above 20% SMYS.

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:

G9. Yes, Procedures need more detail concerning the welding procedure to be used, the radiographic procedure needs to state that the actual procedure used will be based on a test x-ray at the start of the on-site x-ray inspections. The procedure needs correction as the MOP is above 20% SMYS.

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:

G10. Yes, this was a replacement bore project, i, l, m, r, s, & F. The project was well managed and clean.

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:
H1-8. NA. Not an Interstate Agent Program.

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:
H1-8. NA. Not an Interstate Agent Program.

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:
H1-8. NA. Not an Interstate Agent Program.

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

Evaluator Notes:
H1-8. NA. Not an Interstate Agent Program.

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:
H1-8. NA. Not an Interstate Agent Program.

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:
H1-8. NA. Not an Interstate Agent Program.

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:
H1-8. NA. Not an Interstate Agent Program.

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

Evaluator Notes:
H1-8. NA. Not an Interstate Agent Program.

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



PART I - 60106 Agreement State (if applicable)

Points(MAX) Score

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

Evaluator Notes:
I1-7. NA. Not a 60106 Program.

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

Evaluator Notes:
I1-7. NA. Not a 60106 Program.

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

Evaluator Notes:
I1-7. NA. Not a 60106 Program.

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

Evaluator Notes:
I1-7. NA. Not a 60106 Program.

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

Evaluator Notes:
I1-7. NA. Not a 60106 Program.

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

Evaluator Notes:
I1-7. NA. Not a 60106 Program.

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

Evaluator Notes:
I1-7. NA. Not a 60106 Program.

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

