

2023 KGA 15th Annual Expo

Melissa Holbrook
Kentucky
Public Service
Commission

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Lexington, KY



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2023 PSC Focus

- State Checklist
- IMP Re-evaluations
- Construction
- Gathering Rule updates
 - Type C
 - Type R
- Section 114- Next Steps???

Reminders

- Annual Reports due TODAY!
- NPMS updates due TODAY for transmission only
- Have you updated and reviewed plans as required?
- Drug & Alcohol Plans
- Are Operator Qualification tasks current ?

Reminders

- Have you met and maintained liaison with emergency officials per emergency plan and public awareness plan?
- Supervisory Drug / Alcohol Training
- Records & documentation
- PHMSA D&A testing 25%
 - What does your plan say?

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials
Safety Administration

[Docket No. PHMSA–2022–0137]

Pipeline Safety: Random Drug Testing Rate; Management Information System Reporting; and Obtaining Drug and Alcohol Management Information System Sign-In Information

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT.

ACTION: Notice.

SUMMARY: PHMSA has determined that the minimum random drug testing rate for covered employees will be **reduced to 25 percent during calendar year 2023**. Operators are reminded that drug and alcohol (D&A) testing information must be submitted for contractors who are performing or are ready to perform covered functions. For calendar year 2022 reporting, the username and password for the Drug and Alcohol Management Information System (DAMIS) will be available in the PHMSA Portal.

DATES: Applicable January 1, 2023, through December 31, 2023.

FOR FURTHER INFORMATION CONTACT:

Wayne Lemoi, Drug & Alcohol Program Manager, Office of Pipeline Safety, by phone at 909–937–7232 or by email at wayne.lemoi@dot.gov.

SUPPLEMENTARY INFORMATION:

Notice of Calendar Year 2023 Minimum Annual Percentage Rate for Random Drug Testing

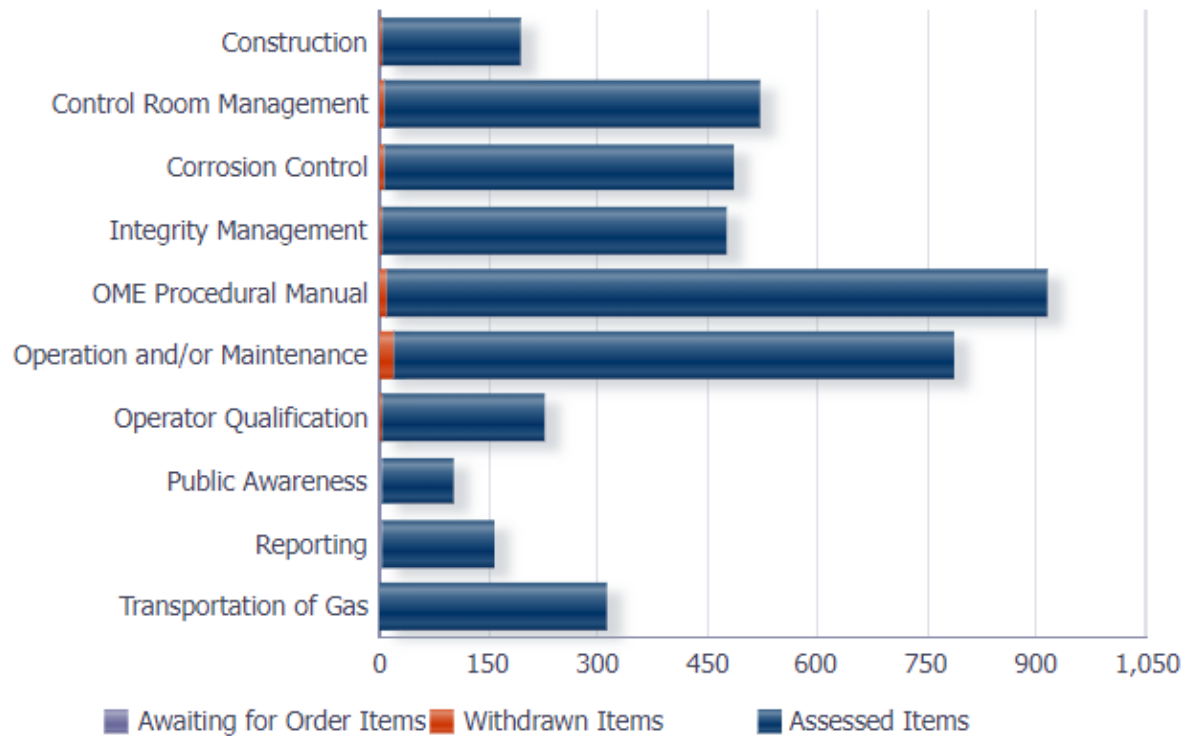
Operators of gas, hazardous liquid and carbon dioxide pipeline facilities, liquefied natural gas (LNG) plants, and underground natural gas storage facilities must randomly select and test a percentage of all covered employees for prohibited drug use in accordance with 49 Code of Federal Regulations (CFR) part 199. The Administrator can adjust this random drug testing rate based on the reported positive rate in the industry’s random drug tests, which is submitted in operators’ annual MIS reports as required by § 199.119(a). In accordance with § 199.105(c)(3), if the reported positive drug test rate is below 1.0 percent for 2 consecutive calendar years, the Administrator can lower the random drug testing rate to 25 percent of all covered employees. Pursuant to § 199.105(c)(3), the Administrator is lowering the PHMSA minimum annual random drug testing rate for all covered employees to 25 percent in calendar year 2023 because the random drug test positive rate for the pipeline industry was reported at less than 1.0 percent in the consecutive calendar years of 2020 and 2021.

PHMSA

Case Summary 2017-2022

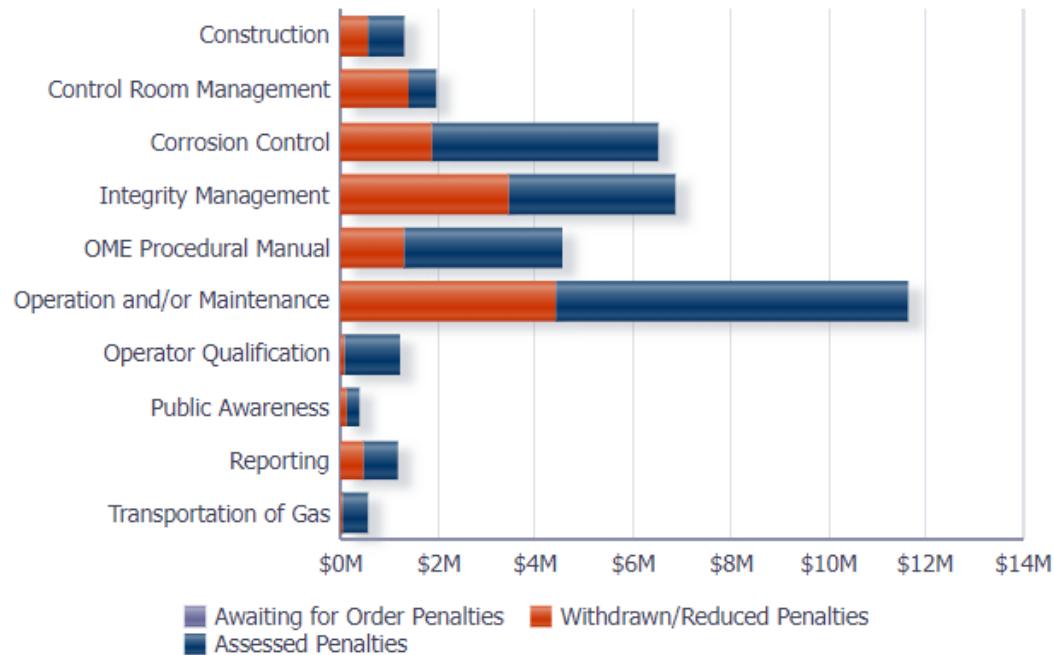
Source: PHMSA- Enforcement Case Management

Top 10 Most Cited Categories

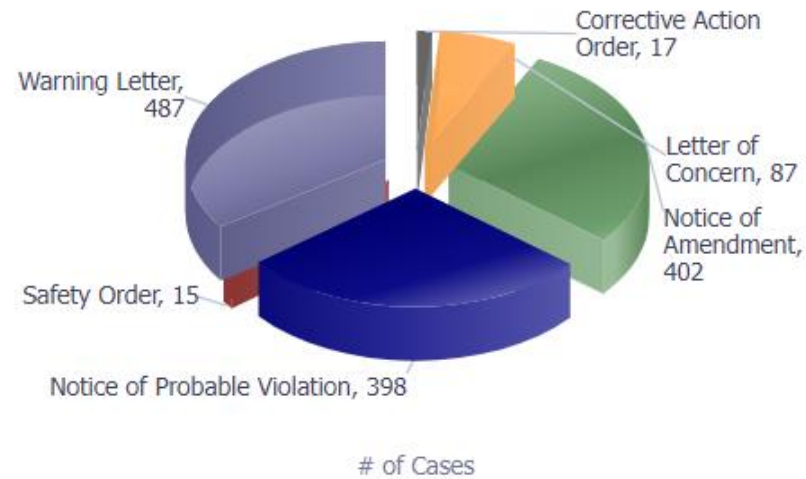


Primary Cited Category	Proposed Items	Assessed Items	Withdrawn Items	Awaiting for Order Items	Proposed Penalties	Assessed Penalties	Withdrawn/Reduced Penalties	Awaiting for Order Penalties	Repeat
OME Procedural Manual	917	908	9	0	\$4,544,210	\$3,230,508	\$1,313,702		1
Operation and/or Maintenance	786	768	18	0	\$11,625,030	\$7,226,942	\$4,398,088		4
Control Room Management	521	515	6	0	\$1,970,200	\$568,900	\$1,401,300		0
Corrosion Control	487	482	5	0	\$6,538,700	\$4,678,100	\$1,860,600		4
Integrity Management	475	471	4	0	\$6,856,779	\$3,391,256	\$3,465,523		1
Transportation of Gas	311	311	0	0	\$568,500	\$518,400	\$50,100		0
Operator Qualification	227	223	4	0	\$1,209,500	\$1,114,800	\$94,700		1
Construction	192	188	4	0	\$1,330,268	\$768,800	\$561,468		0
Reporting	156	154	2	0	\$1,171,600	\$703,054	\$468,546		1
Public Awareness	100	97	3	0	\$379,900	\$254,000	\$125,900		0
Response Plans	58	57	1	0	\$275,200	\$271,000	\$4,200		0
Design	52	50	2	0	\$682,600	\$658,400	\$24,200		0
Drug and Alcohol	37	36	1	0	\$199,800	\$155,800	\$44,000		0
Welding of Steel in Pipelines	20	20	0	0	\$229,200	\$102,900	\$126,300		0
Pressure Testing	22	19	3	0	\$352,800	\$179,900	\$172,900		0
Damage Prevention	18	18	0	0			\$0		1
Qualifications and Training	18	17	1	0	\$48,000	\$48,000	\$0		0
LNG Facilities	16	15	1	0	\$770,100	\$482,100	\$288,000		0
National Pipeline Mapping System	11	11	0	0	\$25,000	\$25,000	\$0		0
Joining of Materials Other Than by Welding	10	10	0	0			\$0		0
Transportation of HL	10	10	0	0			\$0		0
Security	7	7	0	0			\$0		0
Fire Protection	6	6	0	0			\$0		0
Customer Meters and Service Line	5	5	0	0			\$0		0
Enforcement and Regulatory Procedures	4	4	0	0	\$191,000	\$189,900	\$1,100		0
Test Requirements	4	4	0	0	\$19,600	\$19,600	\$0		0
Procedures for Adoption of Rules	1	1	0	0	\$49,000	\$49,000	\$0		0
Equipment	1	1	0	0			\$0		0
Grand Total	4,472	4,408	64	0	\$39,036,987	\$24,636,360	\$14,400,627		13

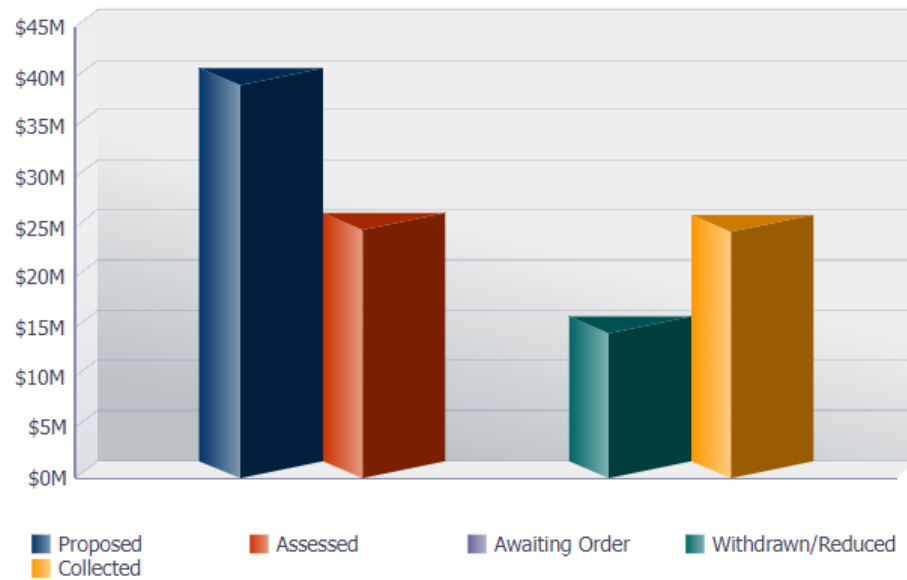
Top 10 Most Cited Categories (Penalties)



Number of Enforcement Cases



Civil Penalties



Proposed	Awaiting Order	Assessed	Withdrawn/Reduced	Collected
\$39,114,587		\$24,636,360	\$14,478,227	\$24,554,960

Civil Penalties

- **Proposed civil penalties** are those penalties that may be recommended for probable violations identified during inspections, investigations, or other means. Proposed penalties are communicated to operators in Notices of Probable Violation. Operators have the right to respond to these allegations before a penalty is assessed in a Final Order. Civil penalties are described in 49 CFR 190.221 through 190.227.
- **Assessed civil penalties** are those civil penalties established after the operator had an opportunity to defend its actions or provide further clarifying information. In no case can the assessed amount exceed the originally proposed amount. However, in some cases, civil penalties are reduced due to new evidence or information that alters the underlying factual allegations in the case.
- **Collected civil penalties** are the amounts actually paid by operators. Collected civil penalties are equivalent to the assessed civil penalty amount in nearly all cases. Occasionally the collected civil penalty amount exceeds the assessed civil penalty. This occurs when an operator is late in making payments, thereby incurring interest charges and administrative fees. In rare instances, a civil penalty may not be collected due to a company no longer being in business.

KY PSC

Cited Regulations
2022

All Cited Regulations

- 191.11 Distribution system: Annual report.
- 192.1007 What are the required elements of an integrity management plan?
- 192.16 Customer notification.
- 192.465 External corrosion control: Monitoring.
- 192.481 Atmospheric corrosion control: Monitoring.
- 192.605 Procedural manual for operations, maintenance, and emergencies.
- 192.609 Change in class location: Required study.
- 192.614 Damage prevention program.
- 192.615 Emergency plans.
- 192.616 Public awareness.
- 192.625 Odorization of gas.

All Cited Regulations

- 192.721 Distribution systems: Patrolling.
- 192.723 Distribution systems: Leakage surveys.
- 192.743 Pressure limiting and regulating stations: Capacity of relief devices.
- 192.805 Qualification program.
- 192.807 Recordkeeping.
- 192.9 What requirements apply to gathering pipelines?
- 199.101 Anti-drug plan.
- 199.105 Drug tests required.
- 199.113 Employee assistance program.
- 807 KAR 5:027 - Gas pipeline safety; reports of leaks; drug testing
- Section 114

Top 5 Cited Regulations

1. 192.605 Procedural manual for operations, maintenance, and emergencies.
2. 192.465 External corrosion control: Monitoring.
3. 192.616 Public awareness.
4. 807 KAR 5:027 - Gas pipeline safety; reports of leaks; drug testing
5. 192.739 Pressure limiting and regulating stations: Inspection and testing./ 192.743 Pressure limiting and regulating stations: Capacity of relief devices.

The Importance of what you do!

- Know your OM&E
- Damage Prevention
- Liaison with Emergency Responders

2022 Harrisburg, PA Explosion

Details

- 12/13/2022 9:07 AM
- Fire & Explosion
- 2 Injuries
- 23 Building Evacuations
- Private Property
- Steel
- Installed in 1958
- 42" depth
- 60 PSI MAOP
- Operating at 55 PSI
- Contractor excavating on sewer system with backhoe/ excavation
- Excavation Practices Not Sufficient

Facility Security- Be Aware!

Coming to theatre near you!!!

How To Blow Up a Pipeline

Questions ???



Updated PSC Contact Numbers

Personnel	Title	Email	Work Phone	Work Cell
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Chris Bailey	Utility Investigator	christopher.bailey@ky.gov	(502) 782-2558	(502) 791-1393
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