

COMMISSIONERS

LAUREN "BUBBA" McDONALD , CHAIRMAN
TIM G. ECHOLS
CHUCK EATON
H. DOUG EVERETT
TRICIA PRIDEMORE



FILED

MAY 08 2018

EXECUTIVE SECRETARY
G.P.S.C.

DEBORAH K. FLANNAGAN
EXECUTIVE DIRECTOR

MICHELLE THEBERT
FACILITIES PROTECTION UNIT DIRECTOR

Georgia Public Service Commission

(404) 463-6526
(800) 282-5813

244 Washington Street, SW
Atlanta, GA 30334 5701

FAX: (404) 463-6532
www.psc.state.ga.us

DOCKET #	Docket No. 37066
DOCUMENT #	172494

City of Lumpkin Gas Department
P. O. Box 278
Lumpkin, GA 31815

Certified Mail

Regular Mail

Attention: Ms. Shirley Walker

On January 23, 2018, a representative of the Georgia Public Service Commission Pipeline Safety/Facilities Protection Office conducted an on-site inspection of your gas system and found that previously identified probable violation(s) of the Pipeline Safety Regulations have either been cleared or are continuing, as identified below.

- Previously existing probable violation(s) has/have been cleared.
- Previously existing probable violation(s) still exist.
- Additional Enforcement
 - Notice of Proposed Violation
 - Notice of Proposed Violation with Proposed Civil Penalty
 - Warning Letter
 - Letter of Concern
 - Observed Issue

The enclosed inspection report numbered JS18-001 is provided for your information and file.

Please review and respond to this report in accordance with the attached Instructions for Responding to Enforcement Actions, Enforcement Letters, and Notifications Issued by the Georgia Public Service Commission. Please refer to Docket No. 37066 in your response.

Please let me know if there are any questions concerning this report at (404) 463-6526 or michellet@psc.state.ga.us. Thank you for your continuing contribution toward increased pipeline safety.

Sincerely,

Michelle L. Thebert
Director, Office of Pipeline Safety/Facilities Protection

COMMISSIONERS

LAUREN "BUBBA" McDONALD , CHAIRMAN
TIM G. ECHOLS
CHUCK EATON
H. DOUG EVERETT
TRICIA PRIDEMORE



DEBORAH K. FLANNAGAN
EXECUTIVE DIRECTOR

MICHELLE THEBERT
FACILITIES PROTECTION UNIT DIRECTOR

Georgia Public Service Commission

(404) 463-6526
(800) 282-5813

244 Washington Street, SW
Atlanta, GA 30334-5701

FAX: (404) 463-6532
www.psc.state.ga.us

REPORT OF NATURAL GAS SAFETY

INSPECTION NO: JS18-001

OPERATOR: City of Lumpkin Gas Department

INVESTIGATOR: Jason Smith

INSPECTION DATE: January 23, 2018

REPORT MAILED DATE: March 1, 2018

Any questions concerning this report may be directed to the above address or by telephoning (404) 463-6526.

1. PURPOSE OF INSPECTION

To conduct a follow-up inspection of the Operator's previously existing probable violations.

2. CONTINUING VIOLATIONS

Violation	Description	Inspection#	Date
192.455	External corrosion control: Buried or submerged pipelines installed after July 31	LB10-047	5/4/2010

3. CLEARED VIOLATIONS

Cleared on 1/23/2018

Violation	Description	Inspection#	Date
199.101	Anti-Drug Plan	LB16-003	1/6/2016
199.105	Drug Test Required	LB16-003	1/6/2016
40.73(c)	As a collector or collection site, you must ensure that each specimen you collect is shipped to...	LB16-003	1/6/2016
40.67(d)(2)	As the collector, you must explain to the employee the reason, if known, under this part for a...	LB16-003	1/6/2016
40.67(g)	As the collector, you must ensure that the observer is the same gender as the employee. You must...	LB16-003	1/6/2016

4. NEW VIOLATIONS

Violation	Description	Inspection#	Date
Consent Agreement Pending	Operator is negotiating Consent Agreement with the FPU Director	JS18-001	1/23/2018

5. OTHER RECOMMENDATIONS/COMMENTS

See Attached Report

CITY OF LUMPKIN GAS DEPARTMENT / FOLLOW-UP INSPECTION
INSPECTION NUMBER JS18-001 / DOCKET NUMBER 37066

On January 23, 2018 Staff reported to the City of Lumpkin to perform a follow-up inspection of the Operator's previously existing probable violations.

During this inspection the Operator was represented by:
Shirley Walker – City Manager
Chris Welbron – MGAG / SRCS (Consultant)

Commission Staff was represented by:
Jason Smith – Lead Inspector
Josh Lairsey – Pipeline Safety Inspector

At the time of this inspection the City of Lumpkin Gas Department was under six (6) previously existing probable violations. Staff reviewed these probable violations with the Operator and determined that:

PROBABLE VIOLATION CLEARED

1. In regard to the probable violation of 49CFR §199.101, which was cited in Inspection Number LB16-003; in that inspection Staff stated that The City of Lumpkin failed to follow their written anti-drug plan.

OPERATOR RESPONSE: In their response letter, dated In their response letter, dated June 27, 2017, the Operator stated that: "...Lumpkin will submit a proposal for measures to mitigate the Proposed Civil Penalty and provides the following response to this Probable Violation:

Lumpkin's new City Manager will appoint a new DER and will ensure that the written Anti-Drug Plan is followed in accordance with Parts 199 and 40."

On June 7, 2017 Staff conducted a Follow-Up Inspection of the Operator's previously existing probable violation under report # CS17-014. During this inspection, Staff determined that "the Operator has taken action to address the probable violation; however, Staff also found that the Consent Agreement for the proposed civil penalty has not been finalized. Staff determined that this violation will need to remain open for tracking purposes until the Consent Agreement has been completed."

OPERATOR RESPONSE: In their response letter to report # CS17-014, dated September 22, 2017, the Operator stated: "Lumpkin has taken action to address this Probable Violation and the Staff is holding the violation open until a Consent Agreement has been completed. Lumpkin has a proposed mitigation measures and is awaiting a response."

The day before reporting to the City of Lumpkin on January 23, 2018, Lead Inspector discussed this violation with the Pipeline Safety Director and determined that this probable violation can be cleared at this time.

2. In regard to the probable violation of 49CFR §199.105(d), which was cited in Inspection Number LB16-003; in that inspection Staff stated that, "The Operator performed a drug test of a covered employee in violation of the requirements under 49CFR §199.105(d) and their established anti-drug plan."

OPERATOR RESPONSE: In their response letter, dated June 27, 2017, the Operator stated that: "...Lumpkin will submit a proposal for measures to mitigate the Proposed Civil Penalty and provides the following response to this Probable Violation:

Lumpkin's new City Manager will appoint a new DER and will ensure that the written Anti-Drug Plan is followed in accordance with Parts 199 and 40."

On June 7, 2017 Staff conducted a Follow-Up Inspection of the Operator's previously existing probable violation under report # CS17-014. During this inspection, Staff determined that the Operator has taken action to address the probable violation; however, Staff also found that the Consent Agreement for the proposed civil penalty has not been finalized. Staff determined that this violation will need to remain open for tracking purposes until the Consent Agreement has been completed.

OPERATOR RESPONSE: In their response letter to report # CS17-014, dated September 22, 2017, the Operator stated: "Lumpkin has taken action to address this Probable Violation and the Staff is holding the violation open until a Consent Agreement has been completed. Lumpkin has a proposed mitigation measures and is awaiting a response."

The day before reporting to the City of Lumpkin on January 23, 2018, Lead Inspector discussed this violation with the Pipeline Safety Director and determined that this probable violation can be cleared at this time.

3. In regard to probable violation of 49CFR §40.73(c), which was cited in Inspection Number LB16-003; in that inspection Staff stated that, "The Operators contractor for urine specimen collection failed to ship specimens for testing as required under §40.73(c)."

OPERATOR RESPONSE: In their response letter, dated June 27, 2017, the Operator stated that: "...Lumpkin will submit a proposal for measures to mitigate the Proposed Civil Penalty and provides the following response to this Probable Violation:

Lumpkin's new City Manager will appoint a new DER and will ensure that the written Anti-Drug Plan is followed in accordance with Parts 199 and 40."

On June 7, 2017 Staff conducted a Follow-Up Inspection of the Operator's previously existing probable violation under report # CS17-014. During this inspection, Staff determined that the Operator has taken action to address the probable violation; however, Staff also found that the Consent Agreement for the proposed civil penalty has not been

finalized. Staff determined that this violation will need to remain open for tracking purposes until the Consent Agreement has been completed.

OPERATOR RESPONSE: In their response letter to report # CS17-014, dated September 22, 2017 the Operator stated: "Lumpkin has taken action to address this Probable Violation and the Staff is holding the violation open until a Consent Agreement has been completed. Lumpkin has a proposed mitigation measures and is awaiting a response."

The day before reporting to the City of Lumpkin on January 23, 2018, Lead Inspector discussed this violation with the Pipeline Safety Director and determined that this probable violation can be cleared at this time.

4. In regard to the probable violation 49CFR §40.67(d)(2), which was cited in Inspection Number LB16-003; in that inspection Staff stated that, "The Operators urine collector personnel are performing directly observed collections in violation of the requirements under §40.67(d)(2)."

OPERATOR RESPONSE: In their response letter, dated June 27, 2017, the Operator stated that: "...Lumpkin will submit a proposal for measures to mitigate the Proposed Civil Penalty and provides the following response to this Probable Violation: Lumpkin's new City Manager will appoint a new DER and will ensure that the written Anti-Drug Plan is followed in accordance with Parts 199 and 40."

On June 7, 2017 Staff conducted a Follow-Up Inspection of the Operator's previously existing probable violation under report # CS17-014. During this inspection, Staff determined that the Operator has taken action to address the probable violation; however, Staff also found that the Consent Agreement for the proposed civil penalty has not been finalized. Staff determined that this violation will need to remain open for tracking purposes until the Consent Agreement has been completed.

OPERATOR RESPONSE: In their response letter to report # CS17-014, dated September 22, 2017 the Operator stated: "Lumpkin has taken action to address this Probable Violation and the Staff is holding the violation open until a Consent Agreement has been completed. Lumpkin has a proposed mitigation measures and is awaiting a response."

The day before reporting to the City of Lumpkin on January 23, 2018, Lead Inspector discussed this violation with the Pipeline Safety Director and determined that this probable violation can be cleared at this time.

5. In regard to the probable violation 49CFR §40.67(g), which was cited in Inspection Number LB16-003; in that inspection Staff stated that, "The Operators collection site is performing directly observed collections in violation of the requirements under §40.67(g)."

OPERATOR RESPONSE: In their response letter, dated June 27, 2017, the Operator stated that: "...Lumpkin will submit a proposal for measures to mitigate the Proposed Civil Penalty and provides the following response to this Probable Violation:

Lumpkin's new City Manager will appoint a new DER and will ensure that the written Anti-Drug Plan is followed in accordance with Parts 199 and 40."

On June 7, 2017 Staff conducted a Follow-Up Inspection of the Operator's previously existing probable violation under report # CS17-014. During this inspection, Staff determined that the Operator has taken action to address the probable violation; however, Staff also found that the Consent Agreement for the proposed civil penalty has not been finalized. Staff determined that this violation will need to remain open for tracking purposes until the Consent Agreement has been completed.

OPERATOR RESPONSE: In their response letter to report # CS17-014, dated September 22, 2017 the Operator stated: "Lumpkin has taken action to address this Probable Violation and the Staff is holding the violation open until a Consent Agreement has been completed. Lumpkin has a proposed mitigation measures and is awaiting a response."

The day before reporting to the City of Lumpkin on January 23, 2018, Lead Inspector discussed this violation with the Pipeline Safety Director and determined that this probable violation can be cleared at this time.

PROBABLE VIOLATION CONTINUING

In regard to probable violation of 49CFR §192.455, which was cited in Inspection Number LB10-047 in that inspection Staff stated that: "During the field review staff confirmed that operator has not identified the apparent bare steel risers in their system as recommended by staff in a previous inspection. After completing a field examination staff determined the following violation:

1. Violation of 49 CFR Part 192.455 External Corrosion Control."

OPERATOR RESPONSE: The Operator provided no response to this inspection report.

On January 31, 2011, Staff conducted a Follow Up inspection on the City of Lumpkin. (Ref: Inspection Number LB11-008) In that Inspection Staff stated: "Staff conducted a field examination and verified that no corrections have yet been made to any of the bare steel service risers that were reported to the operator. Staff directed operator to immediately develop an acceptable schedule for making appropriate corrections and submit the schedule for Staff's approval."

OPERATOR RESPONSE: In their response letter, dated April 12, 2011, the Operator stated: "Lumpkin has identified eighty five (85) bare steel services in its system and will take appropriate action to protect, replace, insert, or remove all of these services within eighteen (18) months. Cathodic Protection (CP) readings will be taken on all of these services to ensure

CITY OF LUMPKIN GAS DEPARTMENT / FOLLOW-UP INSPECTION
INSPECTION NUMBER JS18-001 / DOCKET NUMBER 37066

protection, within two (2) months. All services found to have inadequate cathodic protection will be coated, inserted, replaced (with plastic), or removed from the system within eighteen (18) months.”

- On July 7, 2011, Staff conducted an Operator Qualification (OQ) inspection on the City of Lumpkin. (Ref: Inspection Number LB11-058) In that Inspection, Staff did not specifically address the existing probable violation; however, the probable violation was noted as a continuing probable violation.

OPERATOR RESPONSE: The Operator provided no response to this inspection report.

- On March 22, 2012, Staff conducted an OQ inspection on the City of Lumpkin. (Ref: Inspection Number LB12-024) In that Inspection, Staff did not specifically address the existing probable violation; however, the probable violation was noted as a continuing probable violation.

OPERATOR RESPONSE: The Operator provided no response to this inspection report.

- On May 8, 2012, Staff conducted a Public Awareness Program inspection on the City of Lumpkin. (Ref: Inspection Number LB12-035) In that Inspection, Staff did not specifically address the existing probable violation; however, the probable violation was noted as a continuing probable violation.

OPERATOR RESPONSE: In their response letter, dated January 8, 2013, the Operator stated: “Lumpkin has determined that approximately 80 bare steel services remain in its system and will replace, insert or abandon these services by September 30, 2013.”

- On April 25, 2013, Staff conducted an OQ Follow Up inspection on the City of Lumpkin. (Ref: Inspection Number SS13-011) In that Inspection Staff stated: “Regarding the violation of 192.455 which was cited in inspection number LB10-047, Staff determined that this violation is still being addressed by the Operator and could not be cleared at this time. Staff will schedule a separate follow-up inspection for this probable violation.”

OPERATOR RESPONSE: In their response letter, dated November 19, 2013, the Operator stated: “...Lumpkin does not seek an informal conference and files a written plan of action outlining corrective measures that will be taken to achieve compliance and when compliance is anticipated, as follows:

In April, 2013, Lumpkin hired a contractor to complete bare service remediation. Approximately 47 services have been remediated to date.

Lumpkin has identified some of the work, performed by the contractor, as unsatisfactory. All work completed by the contractor is now being reviewed by both parties.

CITY OF LUMPKIN GAS DEPARTMENT / FOLLOW-UP INSPECTION
INSPECTION NUMBER JS18-001 / DOCKET NUMBER 37066

The unsatisfactory work and review has pushed the projected completion date back. The project will be assigned to a new contractor, but will not be completed as previously projected.”

- On April 24, 2014, Staff conducted a Distribution Integrity Management Program (DIMP) inspection on the City of Lumpkin. (Ref: Inspection Number CW14-028) In that Inspection Staff stated: “During this inspection, Staff found that the Operator has replaced 55 bare steel services, and is currently replacing the remaining bare steel services in-house. Staff noted that the Operator is making progress; however, 25 bare steel services remain active. Staff requested that the Operator provide an updated plan for the completion of the replacement of the remaining 25 bare steel services in their response to this inspection report. Staff determined that this violation cannot be cleared at this time.”

OPERATOR RESPONSE: In their response letter, dated August 24, 2014, the Operator stated: “...Lumpkin does not contest the violation alleged or request an informal conference and files the following written updated plan of action outlining the corrective measures that will be taken to achieve compliance and when compliance is anticipated:

Lumpkin has performed many bare steel service replacements, but will not complete the remaining 25 bare steel services in house. The city will be selecting a different contractor to complete the replacements. Selection of a contractor and final remediation will be completed by February, 2015.”

- On March 24, 2015, Staff conducted a Comprehensive inspection on the City of Lumpkin. (Ref: Inspection Number DJ15-012) In that Inspection Staff stated: “ During this inspection, the Operator stated that due to unsatisfactory work from the previous hired contractor, the projected completion date had to be pushed back. Staff noted that the Operator has now selected and hired D. Lance Souther as its new contractor to complete the bare steel replacements. The Operator has replaced 2 bare steel services out of the remaining 25 bare steel services. Staff verified that the Operator is making progress; however, 23 bare steel services remain active. Operator stated that the final remediation would now be completed by December 2015. Staff determined that this violation cannot be cleared at this time.”

OPERATOR RESPONSE: In their response letter, dated July 28, 2015, the Operator stated: “...Niya Williams provides the current status, updates, expected completion dates, and proposed modifications, if any, of the Continuing and/or existing Violation(s) that were not cleared as a result of the current Inspection.

§ 192.455 as cited in Inspection #LB10-047 — Lumpkin agrees with the status of this Continuing Violation as described in the current Inspection Report.”

- On January 7, 2016, Staff conducted a Follow Up inspection on the City of Lumpkin. (Ref: Inspection Number DJ16-002) In that inspection Staff stated: “In the Operator's response to Inspection Number DJ15-012, on July 28, 2015, the Operator stated that “Niya Williams would provide the current status, updates, expected completion dates, and proposed

modifications, if any, of the continuing and/or existing violation(s) that were not cleared as a result of the current inspection.”

During this inspection, the Operator stated that Ms. Niya Williams, Interim City Manager/City Administrator, is no longer employed by the City of Lumpkin. Also, Mr. Randy Butts is now the new City Manager. Staff noted that the Operator had previously selected D. Lance Souther as its new contractor to complete the bare steel replacements but the City of Lumpkin has not signed a contract as of yet to start the project due to major changes of employees. Staff verified that the Operator has not made any progress on the removal of 23 bare steel services in the last year and they remain active. Operator stated in Inspection Number DJ15-012 that the final remediation would be completed by December 2015 but during this inspection, the operator is requesting additional time to remove these bare steel services. Staff determined that this violation cannot be cleared at this time.”

OPERATOR RESPONSE: In their response letter, dated April 20, 2016, the Operator stated: “Lumpkin has reached agreement with a contractor to replace, insert, or remove from service the 15- 23 bare steel services that are known to be in its system. This work will begin by June 15, 2016, and will be completed by July 30, 2016.”

- On June 7, 2017 Staff conducted a Follow-Up Inspection of the Operator’s previously existing probable violation under report # CS17-014. During this inspection, Staff determined that the Operator has taken action to address the probable violation; however, Staff also found that the Operator has not completed actions to clear this probable violation. Staff determined that this violation cannot be cleared at this time.

OPERATOR RESPONSE: In their response letter to report # CS17-014, dated September 22, 2017 the Operator stated: “Lumpkin’s City Manager will prepare a plan for addressing the remaining bare steel services and will seek City Council approval of the plan at its October meeting. The response to this Continuing Violation will be updated within 30 days following the City Council meeting.”

On January 23, 2018 Pipeline Safety Staff reported to the city of Lumpkin and followed-up with §192.455 violation. The Operator informed staff that approximately seven (7) bare services remain in their system. City budget issues have caused delay in having the work done and completed. This issue is scheduled to be heard at the City’s upcoming Council meeting.

Pipeline Safety Staff determined that this probable violation could not be cleared at this time.

LETTER OF CONCERN

CITY OF LUMPKIN GAS DEPARTMENT / FOLLOW-UP INSPECTION
INSPECTION NUMBER JS18-001 / DOCKET NUMBER 37066

During this inspection Staff noted that at the time of this inspection the City of Lumpkin has continued to carry a Probable Violation of §49CFR 192.455 for 7 years and 8 months. Staff is concerned that the City of Lumpkin has failed to address this violation in a timely manner.

Please review and respond to this report in accordance with the attached Instructions for Responding to Enforcement Letters Issued by the Georgia Public Service Commission.

Information for Natural Gas Operators Regarding Enforcement Actions, Enforcement Letters, & Notifications Issued by the GPSC's Pipeline Safety Director

Commission Rules 515-9-3-.09 and .10 provide the options available to respond when an Enforcement Letter is issued by the Facilities Protection Unit Director/Pipeline Safety Director (Director) of the Georgia Public Service Commission ("Commission"). The following information provides natural gas operators with general information, the process for responding to said Enforcement Letters, and procedures for requesting a hearing.

For all written responses or any other official correspondence, the Operator shall file the response at the following address:

Mr. Reece McAlister, Executive Secretary
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, Georgia 30334

The Operator must file **five (5)** copies of any response and/or official correspondence, as well as a CD with an electronic version of the response in Microsoft Word and/or a PDF, if applicable.

I. General Information Regarding Enforcement Actions, Enforcement Letters, and Notifications Issued by the Commission

A. Enforcement Actions:

1. Notice of Probable Violation (NOPV)-The purpose of this enforcement action is to document and to provide notice concerning any probable violations of a rule or regulation. A NOPV may or may not contain a proposed civil penalty.
2. Notice of Amendment (NOA)-The purpose of this enforcement action is to document and to provide notice concerning a required plan amendment for an Operator.

Enforcement Actions require a written response from the Operator detailing how the issue will be addressed or corrected, and the proposed timeframe(s) for said corrections. See *Process for Responding to Enforcement Actions* below for additional details.

B. Enforcement Letters:

1. Warning Letter-The purpose of this letter is to document and to provide notice concerning any probable violations of a rule or regulation.
2. Letter of Concern- The purpose of this letter is to document concerns with an Operator's plans, programs, or facilities, which could result in a probable violation unless action is taken to address the issue.

Enforcement Letters require a written response within thirty (30) days acknowledging receipt of the letter(s). Enforcement Letters serve as notice to the Operator that if appropriate action is not taken to correct the probable violation(s), enforcement actions may be taken if a subsequent inspection reveals continuing or new violation(s). The Operator is not required to provide corrective action or file a written plan of action; however, it is in the best interest of the Operator to provide notice as to whether any corrective action will be taken. Failure to provide this information may result in formal interrogatories from the Director through data requests.

C. Notifications:

1. Observed Issue: The purpose of this notification is to inform the Operator of identified or observed conditions or operating practices that may or may not be in violation at the time. However, if the issue is not corrected, it may result in a future violation or an unsafe situation.

Information for Natural Gas Operators Regarding Enforcement Actions, Enforcement Letters, & Notifications Issued by the GPSC's Pipeline Safety Director

2. **No Violation:** The purpose of this notification is to inform the Operator that no violations were noted during the inspection. This notification will be sent to the Operator by electronic mail. Please note that it is the Operator's responsibility to ensure that the GPSC has the correct e-mail address for the required recipient of Commission correspondence.

Notifications require an electronic response to the Director @ michellet@psc.state.ga.us within five (5) days acknowledging receipt of the notification.

II. Process for Responding to Enforcement Actions

Unless otherwise noted, the Operator has thirty (30) days from the date the Enforcement Action is received by the Operator filed to file a written response with the Executive Secretary or request an informal conference with the Director. Any Operator who chooses to request an informal conference shall request such a conference through either emailing or calling the Director at michellet@psc.state.ga.us / 404-463-2765.

A. Notice of Probable Violation (NOPV)

The Operator may request an informal conference with the Director and/or her Staff to discuss the NOPV. The violation may be resolved at this stage; however, if agreement cannot be reached, enforcement procedures shall continue. If you chose not to seek an informal conference, the following due process options are available:

1. The Operator may submit a written statement to the Director indicating that corrective measures have achieved compliance; or
2. The Operator may submit a written plan of action to the Director outlining the corrective measures that will be taken to achieve compliance and when compliance is anticipated.

If the corrective measures that the Operator presents or proposes are acceptable to the Director, the violation may be cleared at this point. Such acceptance shall be verified by written statement issued by the Director following a re-inspection of the operator's facilities.

If the proposed solution as outlined is not satisfactory to the Director, the violation shall be referred to the Commission for formal resolution in either of the following manners:

1. The Commission may seek an injunction or mandamus in superior court in cases where immediate action is necessary; or
2. The Commission may issue a show cause order and/or schedule a hearing requiring the operator to demonstrate why the operator should not be subject to the penalties set forth by O.C.G.A. §46-2-91.

B. Notice of Probable Violation with a Proposed Civil Penalty

The Operator may request an informal conference with the Director and/or her Staff to discuss the NOPV and proposed civil penalty. The violation and/or proposed civil penalty may be resolved at this stage; however, if agreement cannot be reached, enforcement procedures shall continue. If you chose not to seek an informal conference, the following due process options are available:

1. If you are not contesting the violation alleged or the proposed civil penalty, submit a written response notifying the Director of your desire to settle this matter by paying the recommended proposed civil penalty. Upon such notification, you will be provided with a Consent Agreement that shall be fully executed by the Operator, and submitted along with a

Information for Natural Gas Operators Regarding Enforcement Actions, Enforcement Letters, & Notifications Issued by the GPSC's Pipeline Safety Director

certified check for the full amount of the recommended civil penalty and made payable to the Georgia Public Service Commission. You must ensure that the Operator's name and the applicable Docket No. and Inspection Report No. are included in the "memo" line of the certified check. The certified check shall be mailed to:

Ms. Michelle Thebert, Director
Facilities Protection Unit
Georgia Public Service Commission
244 Washington Street
Atlanta, Georgia 30334

2. If you are not contesting the violation alleged, but are contesting the proposed civil penalty, and wish to submit written explanations, information, or other materials you believe warrant mitigation of the civil penalty, you may submit such materials. The Director will review the materials and provide the operator with a draft Consent Agreement that will represent the Staff's initial settlement offer. You must either sign the draft Consent Agreement or submit a counter-offer back to the Staff within thirty (30) days. Please refer to Commission Rule 515-9-3-.011, for the factors that the Commission considers regarding the assessment of civil penalties.

If an agreement cannot be reached, the alleged violation and proposed civil penalty shall be referred to the Commission for formal resolution in either of the following manners:

1. The Commission may seek an injunction or mandamus in superior court in cases where immediate action is necessary; or
 2. The Commission may issue a show cause order and/or schedule a hearing requiring the operator to demonstrate why the operator should not be subject to the penalties set forth by O.C.G.A. §46-2-91.
3. If you are contesting both the alleged violation and the proposed civil penalty, you may request a hearing before the Commission. Please see *Procedures for Requesting a Hearing* below.

C. Notice of Amendment (NOA)

The Operator may request an informal conference with the Director and/or her Staff to discuss the NOA. If you chose not to seek an informal conference, the following due process options are available:

1. If you are not contesting the NOA, you must submit to the Director the measures taken or of your plan(s) to address the observed deficiencies identified in the NOA. If the corrective measures that you present, or propose, are acceptable to the Director, the violation may be cleared this point. Such acceptance shall be verified by written statement issued by the Director following a re-inspection of the operator's facilities;
2. If you are not contesting the NOA, but you wish to submit written explanations, information, or other materials believed to warrant modification of the NOA in whole or in part, or if you are seeking clarification of the terms of the NOA, you may submit such materials; or
3. If you wish to contest the NOA, you must submit written explanations, information, or other materials in answer to the allegations in the NOA stating your reasons for objecting to the NOA, in whole or in part. If the information provided is acceptable to the Director, the issue may be closed at this point. Such acceptance shall be verified by written

Information for Natural Gas Operators Regarding Enforcement Actions, Enforcement Letters, & Notifications Issued by the GPSC's Pipeline Safety Director

statement issued by the Director. If the information provided is not acceptable to the Director, then the Operator will be given the option of an Informal Conference with the Director or the case will be referred to the Commission for a formal resolution on the contested issue.

D. Continuing and/or Existing Violations

Continuing and/or existing violations that were not cleared as a result of the current inspection must be addressed in the response letter. The Operator shall provide the current status, updates, expected completion dates, proposed modifications, etc., of the continuing and/or existing violations in each response letter, even if this information was provided in a previously filed response letter. Failure to provide this information may result in formal interrogatories from the Director through data requests. **Please Note:** Referencing a previously filed response letter does not meet the intent of this provision.

III. Procedures for Requesting a Hearing

The Operator has the right to request a hearing to contest the alleged probable violations, recommended civil penalties, and all other proposed actions of enforcement. A request for a hearing must be submitted in writing and in accordance with Commission Rule 515-2-1-.04. The Operator must include a statement of the issues that you intend to raise at the hearing. The issues may relate to the allegations, new information, proposed compliance order, proposed civil penalty, or any other recommendation for enforcement action. Please refer to Commission Rule 515-9-3-.11 and O.C.G.A. § 46-2-91 for assessment considerations upon which civil penalties are based. An operator's failure to specify an issue may result in a waiver of the right to raise that issue at hearing. Your request must also indicate whether or not you will be represented by counsel at the hearing.

You are advised that any material provided to the Commission, and all materials prepared by the Commission, including the Notice of Probable Violations and any Orders issued in this case, may be considered public information and subject to disclosure under the Georgia Open Records Act (O.C.G.A. § 50-18-70 et seq.).

If you believe that any portion of your response material is security sensitive, privileged, confidential or may cause your company competitive disadvantages and would qualify for protection under the Commission's "Trade Secret Rule" (Commission Rule 515-3-1-.11), you must, along with the complete original document clearly marked "TRADE SECRET" on each page, provide a second copy of the document with the portions you believe qualify for trade secret treatment redacted, and an explanation of why you believe the redacted information qualifies for such trade secret treatment. Should the Commission receive a request for disclosure of any "TRADE SECRET" material, you will be notified, if after review, the materials and your provided justification are deemed not to meet any exemptions provided in the Georgia Open Records Act. You may appeal the Commission's decision to release material at that time. Your appeal will stay the release of those materials until a final decision is made.

