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DOCKET# 37076
DOCUMENT# 192074

Docket No. 37076

City of Perry Gas System
P. O. Box 2030
Perry, GA 31069-6030

REF: Follow Up Inspection # JB22-025

☐ Certified Mail ☐ Regular Mail ☑ Email

Attention: Mr. Lee Gilmour

On August 18, 2022, 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
- ☐ Consent Agreement Pending

The enclosed inspection report numbered JB22-025 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. 37076 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 Thebert

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

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REPORT OF NATURAL GAS SAFETY

INSPECTION NO: JB22-025

OPERATOR: City of Perry Gas System

INVESTIGATOR: Jeff Baggett

INSPECTION DATE: August 18, 2022 REPORT MAILED DATE: November 8, 2022

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 Operators previously existing probable violations.

2. CONTINUING VIOLATIONS

Violation	Description	Inspection#	Date
192.747(a)	Each valve, the use of which may be necessary for the safe operation of a distribution system, m...	JB22-004	4/18/2022
192.747(b)	Each operator must take prompt remedial action to correct any valve found inoperable, unless the...	JB22-004	4/18/2022
192.181(b)	Each regulator station controlling the flow or pressure of gas in a distribution system must have...	JB22-004	4/18/2022
192.181(a)	Each high-pressure distribution system must have valves spaced so as to reduce the time to...	JB22-004	4/18/2022
192.285(d)	Each operator shall establish a method to determine that each person making joints in...	JB22-004	4/18/2022
192.615(a)(6)	Emergency shutdown and pressure reduction in any section of the operator's pipeline system neces...	JB22-004	4/18/2022
Consent Agreement Pending	Operator is negotiating Consent Agreement with the FPU Director	JB22-015	7/11/2022

3. CLEARED VIOLATIONS

Cleared on 8/18/2022

Violation	Description	Inspection#	Date
191.11	Distribution system: Annual report.	JB22-004	4/18/2022
192.287	Plastic pipe; inspection of joints.	JB22-004	4/18/2022
192.617	Investigation of failures.	JB22-004	4/18/2022
192.807	Recordkeeping.	JB22-004	4/18/2022
192.605(a)	Each operator shall prepare and follow for each pipeline, a manual of written procedures for...	JB22-004	4/18/2022
192.603(b)	Each operator shall keep records necessary to administer the procedures established under §192.605.	JB22-004	4/18/2022
192.723(b)(1)	A leakage survey with leak detector equipment must be conducted in business districts, including...	JB22-004	4/18/2022
192.491(c)	Each operator shall maintain a record of each test, survey, or inspection required by this sub...	JB22-004	4/18/2022
192.517(b)	Each operator must maintain a record of each test required by §§ 192.509, 192.511, and 192.513...	JB22-004	4/18/2022
192.625(f)	To assure the proper concentration of odorant in accordance with this section, each operator must...	JB22-004	4/18/2022
192.721(b)	Mains in places or on structures where anticipated physical movement or external loading could...	JB22-004	4/18/2022
192.615(a)(8)	Notifying appropriate fire, police, and other public officials of gas pipeline emergencies and...	JB22-004	4/18/2022
192.455(a)(1)	It must have an external protective coating meeting the requirements of §192.461	JB22-004	4/18/2022
192.455 (e)	Aluminum may not be installed in a buried or submerged pipeline if that aluminum is exposed to an...	JB22-004	4/18/2022
192.479(b)	Coating material must be suitable for the prevention of atmospheric corrosion.	JB22-004	4/18/2022
192.605(a)(9)	Taking adequate precautions in excavated trenches to protect personnel from the hazards of unsafe...	JB22-004	4/18/2022

4. NEW VIOLATIONS

5. OTHER RECOMMENDATIONS/COMMENTS

SEE ATTACHED INSPECTION REPORT

CITY OF PERRY GAS SYSTEM REVIEW OF OPERATOR RESPONSE
INSPECTION NUMBER JB22-025 / DOCKET NUMBER 37076

On August, 18, 2022, Staff met on-line with the City of Perry Gas System to perform a review of their responses and a follow-up inspection of the Operator's previously existing probable violations from Inspection Number JB22-004.

During this inspection, the Operator was represented Josh Lairsey, ESG Compliance Specialist.

Commission Staff was represented by Jeff Baggett, Supervisor, Facilities Protection Unit. (Lead Inspector)

At the time of this inspection, the City of Perry Gas System was under 24 previously existing probable violations which were cited under Inspection Number JB22-004. (12 Notices of Probable Violation's, three Warning Letters, and nine Notices of Amendment)

The following NOPV's from Inspection Number JB22-004 also had proposed civil penalties which have not yet been addressed.

Item #	Code / Rule	Description	Proposed Penalty
2	§192.285(d)	Plastic pipe: Qualifying persons to make joints	$5,000.00
6	§192.617	Investigation of failures	$5,000.00
7	§192.625(f)	Odorization of gas	$5,000.00
8	§192.721(b)	Distribution systems: Patrolling	$5,000.00
9	§192.723(b)(1)	Distribution systems: Leakage surveys	$5,000.00
10	§192.747(a)	Valve maintenance: Distribution systems	$5,000.00
11	§192.747(b)	Valve maintenance: Distribution systems	$5,000.00
TOTAL PROPOSED PENALTY			$35,000.00

Staff reviewed these probable violations with the Operator and determined that:

PROBABLE VIOLATION CLEARED

1. In regard to the probable violation of §192.287 which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry could not demonstrate that the personnel performing the inspection of joints required by §192.287 were qualified to do so."

   OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry has requalified all employees who fuse plastic pipe. The employees were re-tested for their knowledge, skills, and ability to perform the task(s) and all passed. The proper documentation of the Qualifications and the testing of each sample has been completed."

   FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator provided records which demonstrated that personnel had been re-qualified to perform fusions and joining.

   Staff determined that this violation could be cleared at this time.

2. In regard to the probable violation of §192.491(c) which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry failed to maintain a record of each test, survey, or inspection required by 49CFR, Part 192, Subpart I, in sufficient detail to demonstrate the adequacy of corrosion control measures or that a corrosive condition does not exist."

   OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry has reviewed the appropriate procedures with the affected

employees and will provided training to ensure all required information is being collected and documented accordingly, specifically corrosion data when an existing section of steel gas line is exposed. This training will be completed by July 29. 2022. The documentation of this training will be provided to the Facilities Protection Director and Lead Inspector under separate cover."

FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator provided records which demonstrated that personnel had been trained on the requirements of §192.491(c)

Staff determined that this violation could be cleared at this time.

3. In regard to the probable violation of §192.517(b) which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry failed to make and retain a record of each test required by §192.517 as outlined in their Operations and Maintenance procedures."

   OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry has reviewed the appropriate procedures with the affected employees and will provided training to ensure all required information is being collected and documented accordingly. specifically, pressure test data. This training will be completed by July 29, 2022. The documentation of this training will be provided to the Facilities Protection Director and Lead Inspector under separate cover."

   FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator provided records which demonstrated that personnel had been re-trained on the requirements of §192.491(c)

   Staff determined that this violation could be cleared at this time.

4. In regard to the probable violation of §192.617 which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry failed to comply with their procedure for compliance with §192.617 to ensure that they properly determined the causes of the failure which occurred at 2020 Kings Chapel Road on March 30, 2021 to minimize the possibility of a recurrence."

   Staff proposed a civil penalty of $5,000 for this probable violation.

   OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry requested an informal conference and stated: "The City of Perry has reviewed records for CY2021 and will make the necessary changes to leak causes. 7100 data, and GUFPA reporting by July 29, 2022. Furthermore, the City of Perry will ensure that any form used will be properly referenced."

   FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator provided records which demonstrated that they had revised their procedure for §192.617 to reference the correct form. They have also amended their CY2021 7100 data with PHMSA, and are reviewing their past years data to determine if additional changes are necessary.

   Staff determined that this violation could be cleared at this time.

5. In regard to the probable violation of §192.625(f) which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry failed to conduct periodic sampling of combustible gases

as required by their Operations and Maintenance procedures. They also failed to ensure that their instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable was maintained in accordance with the manufacturers procedures as required by their Operations and Maintenance Procedures."

Staff proposed a civil penalty of $5,000 for this probable violation.

OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry requested an informal conference and stated: "The City of Perry has implemented a new form and process of reviewing documentation for compliance to prevent the reoccurrence of missing hard compliance deadline. Furthermore, we are tracking the calibration of the multiple pieces of equipment. A copy of the new "Equipment Calibration tracker" will be provided to the Facilities Protection Director and the Lead Inspector under separate cover."

FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator provided records which demonstrated that they had implemented a tracking system for equipment calibration through their SharePoint system which is monitored by the Compliance Manager and the Corporate Compliance Specialist.

Staff determined that this violation could be cleared at this time.

6. In regard to the probable violation of §192.721(b) which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry failed to patrol their mains at intervals not exceeding 4 1/2 months, but at least four times each calendar year, as required by the O&M Procedures.

   Staff proposed a civil penalty of $5,000 for this probable violation.

   OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry requested an informal conference and stated: "The City of Perry has implemented a new form and process of reviewing documentation for compliance to prevent the reoccurrence of missing hard compliance deadlines."

   FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator provided records which demonstrated that they had implemented a tracking system for performing patrolling through their SharePoint system which is monitored by the Compliance Manager and the Corporate Compliance Specialist.

   Staff determined that this violation could be cleared at this time.

7. In regard to the probable violation of §192.723(b)(1) which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry failed to conduct their business district leak survey annually, not to exceed 15 months, as required by §§192.723(b)(1) and their Operations and Maintenance Procedures Manual."

   Staff proposed a civil penalty of $5,000 for this probable violation.

   OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry requested an informal conference and stated: "The City of Perry will ensure that leak surveys are completed within the required timeframes moving forward. Part of the process to ensure

this occurs is providing our leak survey sub- contractor an updated list of services and associated mains and providing a schedule to follow from start to finish."

FOLLOWUP INSPECTION: During this inspection (JB22-025) Staff advised the Operator that the response was acceptable and that the violation will be addressed through the proposed civil penalty and the informal conference with the Director.

Staff determined that this violation could be cleared at this time.

8) In regard to the Warning Letter for the probable violation of §192.603(b) which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry failed to maintain records necessary to administer their procedures established under §192.605"

OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry has implemented multiple new processes and forms to ensure all required documentation is gathered and retained. Furthermore. additional training will be provided to employees and documented. These records will provide them to the Facilities Protection Director and Lead Inspector under separate cover."

FOLLOWUP INSPECTION: During this inspection (JB22-025) Staff advised the Operator that their response was sufficient to address this item.

Staff determined that this violation could be cleared at this time.

9) In regard to the Warning Letter for the probable violation of §192.605(a) which was cited in Inspection Number JB22-004; in that inspection Staff stated: "During the task performance review for Task Number #0101 Staff observed that the individual performing the covered tasks failed to follow the City of Perry's written procedure for task performance."

OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The employee who completed the protocol 9 inspection for your Staff has been disqualified from performing the task and will be trained and re-qualified prior to completing the covered task in the future."

FOLLOWUP INSPECTION: During this inspection (JB22-025) Staff advised the Operator that their response was sufficient to address this item.

Staff determined that this violation could be cleared at this time.

10) In regard to the Warning Letter for the probable violation of §192.615(a)(8) which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry could not provide records which demonstrated that they have notified the appropriate fire, police, and other public officials of gas pipeline emergencies and coordinated with them both their planned responses and actual responses during an emergency."

OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry will review its Emergency Plan to ensure that its process

for notifying emergency response personnel and documentation such notification is complete and appropriate."

FOLLOWUP INSPECTION: During this inspection (JB22-025) Staff advised the Operator that their response was sufficient to address this item.

Staff determined that this violation could be cleared at this time.

11) In regard to the probable violation of §192.807 which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry failed to maintain records that demonstrate compliance with the Operator Qualification requirements of 49CFR, Part 192 SubPart N."

OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry will review and revise the requirements for contractor qualification(s) verification by July 29, 2022 and will be provide them to the Facilities Protection Director and Lead Inspector under separate cover."

FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator provided Staff with a revised form for "Contractor or Other Entity Verification of Qualification." This form includes a statement which says: "Prior to any contractor or other entity performing covered task(s), THE CITY OF PERRY will determine which task each contractor or other entity will perform. If the contractor or other entity provides outside qualifications, the City of Perry can accept the qualifications. If the City of Perry accepts the records provide; then the task(s) will be documented, and a performance evaluation will be conducted to ensure that the contractor or other entity have fully qualified personnel."

Staff determined that this violation could be cleared at this time.

12) In regard to the Notice of Amendment for the probable violation of §191.11(a) which was cited in Inspection umber JB22-004; in that inspection Staff stated: "The City of Perry must amend their CY2021 annual distribution report, and any other reports found to have errors, to correctly reflect their system totals and Part C leak data."

OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry has reviewed multiple years of the 7100 and will correct the deficiencies in the report regarding Part C & D and system totals by July 29. 2022."

FOLLOWUP INSPECTION: During this inspection (JB22-025) Staff reviewed the PHMSA Pipeline Data Mart and found that the City of Perry revised their CY2021 annual report on August 1, 2022.

Staff determined that this violation could be cleared at this time.

13) In regard to the Notice of Amendment for the probable violation of §192.455(a) which was cited in Inspection umber JB22-004; in that inspection Staff stated: "The City of Perry must amend their procedures to address the requirements of §192.455(a)(1)."

OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry will amend the procedures and remove the reference to the construction manual by July 29, 2022 and will provide them to the Facilities Protection Director and

the Lead Inspector under separate cover. Furthermore. the City of Perry has a listing of approved coatings, tapes. and paint used and the specifications for each."
his time.

FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator provided Staff with a revised procedure which addresses the coating requirements of §192.455(a)(1)

Staff determined that this violation could be cleared at this time.

14) In regard to the Notice of Amendment for the probable violation of §192.455(e) which was cited in Inspection umber JB22-004; in that inspection Staff stated: "The City of Perry must amend their procedures to address the requirements of §192.455(e)."

OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry will amend its O&M Manual to indicate that aluminum materials will not be installed in buried or submerged locations in its system by July 29, 2022 and will provide the procedure to the Facilities Protection Director and the Lead Inspector under separate cover."

FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator provided Staff with a revised procedure for §192.455(e) which addresses this requirement.

Staff determined that this item has been addressed and can be cleared at this time.

15) In regard to the Notice of Amendment for the probable violation of §192.479(b) which was cited in Inspection umber JB22-004; in that inspection Staff stated: "The City of Perry must amend their procedures to address the requirements of §192.479(b)."

OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry will amend the procedures and remove the reference to the construction manual by July 29, 2022 and will provide them to the Facilities Protection Director and the Lead Inspector under separate cover. Furthermore. the City of Perry has a listing of approved coatings. tapes, and paint used and the specifications for each.

FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator provided Staff with a revised procedure for §192.479(b) which addresses this requirement.

Staff determined that this item has been addressed and can be cleared at this time.

16) In regard to the Notice of Amendment for the probable violation of §192.605(a)(9) which was cited in Inspection umber JB22-004; in that inspection Staff stated: "The City of Perry must amend their procedures to ensure their personnel are aware of the requirements of both Procedure 05 and Procedure 1321-1341."

OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry will amend Procedure 05 to include reference to Procedure 1321-1341 by July 29,2022 and will provide the procedure to the Facilities Protection Director and the Lead Inspector under separate cover.

FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator provided Staff with a revised procedure for §192.479(b) which addresses this requirement.

Staff determined that this item has been addressed and can be cleared at this time.

17) In regard to the Notice of Amendment for the probable violation of §192.723(b)(1) which was cited in Inspection umber JB22-004; in that inspection Staff stated: "The City of Perry must amend their procedure for identification of their business district to ensure that they are 1) properly identifying their business districts, and (2) that they are able to direct their employees and contractors to the locations that must be leak surveyed instead of allowing their employees and contractors to determine on their own what areas should be surveyed."

OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry will amend its procedures to more clearly define how business districts are identified by July 29,2022 and will provide the procedure to the Facilities Protection Director and the Lead Inspector under separate cover."

FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator provided Staff with a revised procedure for §192.479(b) which addresses this requirement.

Staff determined that this item has been addressed and can be cleared at this time.

18) In regard to the Notice of Amendment for the probable violation of §192.747(a) which was cited in Inspection umber JB22-004; in that inspection Staff stated: "The City of Perry must amend their procedures required by §192.747(a) to clearly indicate that each valve, the use of which may be necessary for the safe operation of their distribution system, must be checked to ensure that it is operational during its annual service."

OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry will amend its procedures to dearly state that valves must be partially operated when they are checked and serviced by July 29, 2022 and will provide the procedure to the Facilities Protection Director and the Lead Inspector under separate cover."

FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator provided Staff with a revised procedure for §192.747(a) which clearly states that emergency valves are to be operated as part of the annual inspection.

Staff determined that this item has been addressed and can be cleared at this time.

PROBABLE VIOLATION CONTINUING

1. In regard to the probable violation of §192.181(b) which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry failed to ensure that each regulator station controlling the flow or pressure of gas in a distribution system has a valve installed on the inlet piping at a distance from the regulator station sufficient to permit the operation of the valve during an emergency that might preclude access to the station."

   OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "Prior to the inspection, the City of Perry had identified the regulator stations that did not have a valve located upstream of the station to meet the requirements under 192.l8l(b). Currently. a project is being developed to install the required valves. Once the project is approved. the City of Perry will notify the Facilities Protection Director and Lead Inspector"

   FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator advised that they are still developing a plan to address the installation of inlet valves for the required stations.

   Staff determined that this violation cannot be cleared at this time.

2. In regard to the probable violation of §192.285(d) which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry could not demonstrate that personnel performing the joining of PE pipe on their system had been qualified under their procedures as required by §192.285(d)."

   Staff proposed a civil penalty of $5,000 for this probable violation

   OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry requested an informal conference for this probable violation and stated: "The City of Perry has requalified all employees who fuse plastic pipe. The employees were re-tested for their knowledge, skills, and ability to perform the task(s) and all passed. The proper documentation of the Qualifications and the testing of each sample has been completed."

   FOLLOWUP INSPECTION: During this inspection (JB22-025) Staff advised the Operator that their response was not acceptable because it fails to address the 21 joints that were identified as being installed by unqualified personnel. The Operator advised that all 21 joints are going to be replaced, however, the estimated completion date is currently unknown due to availability of materials.

   Staff determined that this violation cannot be cleared at this time.

3. In regard to the probable violation of §192.747(a) which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry failed to check and service each valve which was identified as being necessary for the safe operation of their distribution system as required by §192.747(a)."

   Staff proposed a civil penalty of $5,000 for this probable violation.

   OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry requested an informal conference and stated: "The City of Perry has reviewed the past

three years of critical valve inspections and addressed the valves that were documented as being inaccessible. Furthermore. Staff has operated all valves except for twenty-six (26) valves that were not operational. The City of Perry is currently identifying alternative valves to use in the event they are needed to isolate a section of the system as we work to repair or replace the inoperable valves. The tentative completion date is by the end of October of this year."

FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator advised that they have addressed 9 of the inoperable valves. The tentative completion date for the remaining 15 valves is by the end of October of this year.

Staff determined that this violation cannot be cleared at this time

4. In regard to the probable violation of §192.747(b) which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry failed to take prompt remedial action to correct any valve found inoperable, or to demonstrate that they had designated alternative valves when required."

   Staff proposed a civil penalty of $5,000 for this probable violation.

   OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry requested an informal conference and stated: "The City of Perry has reviewed the past three years of critical valve inspections and addressed the valves that were documented as being inaccessible. Furthermore, Staff has operated all valves except for twenty-six (26) valves that were not operational. The City of Perry is currently identifying alternative valves to use in the event they are needed to isolate a section of the system as we work to repair or replace the inoperable valves. The tentative completion date is by the end of October of this year."

   FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator advised that they have addressed 9 of the inoperable valves. The tentative completion date for the remaining 15 valves is by the end of October of this year.

   Staff determined that this violation cannot be cleared at this time

5) In regard to the Notice of Amendment for the probable violation of §192.181(a) which was cited in Inspection Number JB22-004; in that inspection Staff stated: "The City of Perry must amend their procedures to address the placement of distribution line valves for their system."

   OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry has developed a process for the placement of distribution valves on new installations of natural gas pipelines and will amend our procedures by July 29, 2022 and will provide them to the Facilities Protection Director and the Lead Inspector under separate cover. Furthermore, the City of Perry is working on developing an isolation plan for the distribution system. The City of Perry is currently working on updating the GIS program and plotting all in-line valves to assist in developing a district shut of zones."

   FOLLOWUP INSPECTION: During this inspection (JB22-025) Staff reviewed the City of Perry's proposed "Valve Installation Guidelines" and found that they are not sufficient to address this violation. Staff found that these guidelines offer instructions for things to consider in the placement of valves, but do not offer any guidance as to when a valve would be required. For example, the process calls for

evaluating the number of customers that could be affected, but it provides no guidance on how many customers the operator is prepared to lose in the event an emergency valve is used.

Staff determined that this violation cannot be cleared at this time

6) In regard to the Notice of Amendment for the probable violation of §192.615(a)(6) which was cited in Inspection umber JB22-004; in that inspection Staff stated: "The City of Perry must amend their procedures for emergency shutdown and pressure reduction to provide a procedure for their personnel to follow in the event an emergency shutdown or pressure reduction is required in any section of their system."

   OPERATOR RESPONSE: In their response letter to Inspection Number JB22-004, dated July 7, 2022, the City of Perry stated: "The City of Perry will amend the procedures for pressure reductions or pipeline isolation by the use of valves in an emergency for our employees to use by July 29, 2022 and will provide the procedure to the Facilities Protection Director and the Lead Inspector under separate cover."

   FOLLOWUP INSPECTION: During this inspection (JB22-025) the Operator advised that they have not yet completed this item because it has required more review, analysis, and correction of their GIS data than anticipated. Operator plans to have this item addressed by the end of the year.

   Staff determined that this item could not be cleared at this time.

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.

OPERATOR RESPONSE FORM

Operator Name: City of Perry

Informal Conference Requested: Yes ☐ No ☐

Docket Number: 37076

Responses required within **30 days of electronic mail.** Provide the following information for this report:

Response to Inspection Number:_____

Type of Enforcement Action(s) cited in report:		Informal Conference Requested
☐ Notice of Probable Violation (NOPV)	☐ New ☐Continuing	☐ Yes ☐ No
☐ Notice of Amendment (NOA)	☐ New ☐Continuing	☐ Yes ☐ No
☐ Warning Letter	☐ New ☐Continuing	☐ Yes ☐ No
☐ Letter of Concern	☐ New ☐Continuing	☐ Yes ☐ No
☐ Observed Issue	☐ New ☐Continuing	☐ Yes ☐ No
☐ Proposed Civil Penalty	$ _____ PCP $ Amount (Total for report)	

Indicate below (A-E) based on the type of Enforcement Actions in this report: (Check all that apply)
Complete a separate copy of Page 2, Operator Response to Enforcement Action, for each cited item.

A. Response for **Notice of Probable Violation** (with and without proposed civil penalty):
   1. ☐ Written statement indicating that corrective measures have achieved Compliance or
   2. ☐ Written plan of action outlining the corrective measures that will be taken to achieve compliance and when compliance is anticipated.

B. Response for **NOA**:
   1. ☐ Contested: Attach written explanation, information, or other material in answer to the allegations in the Notice of Amendment stating your reasons for objecting to the NOA, in whole or in part; or
   2. ☐ Not Contested: Explanation, information, or other material believed to warrant modification of the NOA in whole or in part; or
   3. ☐ Written request for clarification. (Attached)

C. Response for **Continuing** and/or **Existing** violations:
   Current status, updates, expected completion dates, proposed modifications, etc., of the continuing and/or existing violations, even if this information was previously provided. Referencing a previously filed response letter, as status, updates, etc. alone is not sufficient for this response. Failure to provide this information may result in formal interrogatories from the Director through data requests.

D. Response for ☐ **Letter of Concern** / ☐ **Warning Letter**
   I acknowledge receipt of the Letter of Concern/Warning Letter:_____
   SIGNATURE / TITLE

   Additional Comments: (Optional)_____
   _____
   _____

E. Response for **Observed Issue** and **No Violation**: (Optional Response)
   Staff requests that the Operator acknowledge receipt of the Observed Issue/No Violation in writing, or by submitting an email to the FPU Director

Operator Response to Enforcement Action

Enforcement Action for:_____ ☐ New Violation ☐ Continuing Violation
Enter Code / Commission Rule (Complete a separate attachment for each enforcement action)

Enforcement Action(s) cited in report:	Conference Requested:
☐ Notice of Probable Violation (NOPV)	☐ Yes ☐ No
☐ Notice of Amendment (NOA)	☐ Yes ☐ No
☐ Warning Letter	☐ Yes ☐ No
☐ Letter of Concern	☐ Yes ☐ No
☐ Observed Issue	☐ Yes ☐ No
☐ Proposed Civil Penalty	☐ Yes ☐ No

$_____
Proposed Penalty for this violation

OPERATORS RESPONSE: _____

_____

_____

_____

_____

_____

_____

_____

Response Provided by: _____ Date:_____
Name / Title

Internal use only:

Lead Inspector: _____ Date Response Reviewed:_____

Actions Acceptable: ☐ Yes ☐No Re-inspection Needed:☐ Yes ☐ No Clear Violation:☐ Yes ☐ No

_____

Supervisor Review by:_____ Date Reviewed:_____

Additional Enforcement Recommended: ☐ Yes ☐ No

_____

Director Review

Approved: ☐ Yes ☐No Schedule Special Follow-up Inspection: ☐ Yes ☐ No

Cleared Violation: ☐ Yes ☐ No

Comments:_____

_____

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

Ms. Sallie Tanner, 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.

Informal Conference:
Any Operator who chooses to request an informal conference shall request such a conference through emailing the Director (michellet@psc.state.ga.us), calling the Director (404-463-2765), or selecting the "Request Conference" choice.

Civil Penalty Payments:
Certified check for the full amount of the recommended civil penalty or consent agreement amount made payable to the Georgia Public Service Commission. The Operator's name, applicable Docket No., and Inspection Report No. must be included on the certified check. Mail payment to:

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

Hearing Requests:
The Operator has the right to request a hearing before the full Commission 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. The request must also indicate whether or not the Operator will be represented by counsel at the hearing.

Open Records and Trade Secret Filings:
The Operator is 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.

BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION
STATE OF GEORGIA

IN THE MATTER OF:	)	
	)	
Cleared and Continuing Violation(s) Report	)	**DOCKET NO. 37076**
City of Perry Gas System	)	
Inspection JB22-025 on August 18, 2022	)	
	)	

CERTIFICATE OF SERVICE

I, the undersigned, do hereby certify that I have caused to be served a copy of the foregoing, and a copy of same was served upon all parties and persons listed below via electronic mail as indicated by an asterisk. I further certify that the *City of Perry Gas System* was served a hard copy of the above-stated document by U.S. Mail, certified/return receipt requested.

*Sallie Tanner, Executive Secretary
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, GA 30334

*Lee Gilmour, City Manager
City of Perry Gas System
P.O. Box 2030
Perry, GA 31069-6030
lee.gilmour@perry.ga.gov

*Michelle Thebert, Facilities Protection Unit Director
Georgia Public Service Commission
244 Washington Street, SW
Atlanta, GA 30334

Respectfully Submitted this 17th day of November 2022:

Cathy Nesbitt

Cathy Nesbitt, Administrative Assistant
Georgia Public Service Commission
Facilities Protection Unit
244 Washington Street, SW
Atlanta, GA 30334