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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
psc.ga.gov

Docket No. 37049

DOCKET# 37049
DOCUMENT# 192701

City of Eatonton Gas System
P. O. Box 3820
Eatonton, GA 31024

REF: Follow Up Inspection # JS22-014

☐ Certified Mail ☐ Regular Mail ☒ Email

Attention: Mr. Gary Sanders

On June 28, 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 JS22-014 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. 37049 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: JS22-014

OPERATOR: City of Eatonton Gas System

INVESTIGATOR: Jason Smith

INSPECTION DATE: June 28, 2022 REPORT MAILED DATE: January 10, 2023

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
192.605(a)	Each operator shall prepare and follow for each pipeline, a manual of written procedures for...	AT21-025	9/20/2021
192.181(b)	Each regulator station controlling the flow or pressure of gas in a distribution system must have...	AT21-025	9/20/2021
192.181(a)	Each high-pressure distribution system must have valves spaced so as to reduce the time to...	AT21-025	9/20/2021

3. CLEARED VIOLATIONS

4. NEW VIOLATIONS

5. OTHER RECOMMENDATIONS/COMMENTS

SEE ATTACHED INSPECTION REVIEW

On June 28, 2022 Commission Pipeline Safety reported to the City of Eatonton Gas Department to perform a follow-up inspection of the Operator's previously existing probable violations.

During this inspection, the Operator was represented by:
Charles Bales - Gas Superintendent
Ms. Pat Welch - Gas Department Administrative Support
Wade Sharpe - MGAG/SRCS (consultant)

Pipeline Safety Staff was represented by:
Jason Smith - Lead Inspector
Will Culbreath - GUFPA Case Manager/Inspector

At the time of this inspection the City of Eatonton Gas Department was under three (3) previously existing probable violations. Staff reviewed these probable violations with the Operator and determined that:

PROBABLE VIOLATION CONTINUING

1. In regard to the probable violation 49CFR §192.605(a) which was cited in Inspection #AT21-025; in the inspection Staff stated: "Based on the noted deficiencies, identified below, Staff found that the Operator failed to follow their written procedures for conducting operations and maintenance activities, as required by §192.605(a)"

   a. In regard to the observed deficiency of §192.615(c) which was cited in Inspection Number AT21-025, Staff stated: "During this inspection Staff found that the Operator failed to establish and maintain liaison with public officials. Records reviewed by Staff indicated the Operator was able to demonstrate liaison had been performed with Jones and Putnam County emergency responders; however, no contact with public officials in these counties have been performed."

      Staff proposed a civil penalty of $5,000.00 for this item.

      OPERATOR RESPONSE: In their response letter to inspection #AT21-025, dated February 1, 2022 the Operator stated: "The City of Eatonton ("Eatonton") will conduct liaison session(s) with all required parties by May 31, 2022; and will ensure that liaison is maintained in accordance with applicable requirements."

      The Operator requested a conference with the FPU Director to discuss the proposed $5,000.00 penalty.

      FOLLOW-UP INSPECTION: During this inspection (#JS22-014) the City of Eatonton Gas Department provided Staff documentation showing they have taken steps to conduct liaison sessions with Public Officials in Putnam and Jones counties. The Operator informed Staff that while they met with 15 officials, scheduling conflicts has caused a delay in getting with approximately three Public Officials; the Jones County Manager, and 2 council members from Jones County. Eatonton Gas is working on getting these complete within the next few weeks.

      Staff determined that this deficiency has been addressed; however, the proposed civil penalty for this item will still need to be discussed during a conference with the FPU Director.

b. In regard to the observed deficiency of §192.707(d) which was cited in Inspection Number AT21-025, Staff stated that the: "Operator failed to follow their procedures for installing and maintaining pipeline markers as required under Part 192.605(a)"

OPERATOR RESPONSE: In their response letter to inspection number #AT21-025, dated February 1, 2022, the Operator stated: "This Probable Violation refers to signage at regulator stations. Eatonton has corrected these deficiencies by installed required signage."

FOLLOW-UP INSPECTION: During this inspection (#JS22-014) the City of Eatonton Gas Superintendent demonstrated to Staff that required signage had been posted at their regulator stations.

Staff determined that this deficiency has been addressed.

c. In regard to the observed deficiency of §192.723(b)(2) which was cited in Inspection Number AT21-025; in that inspection Staff stated: "The Operator failed to perform leakage survey as required by §192.723 and their Operation and Maintenance procedures manual."

Staff proposed a civil penalty of $5,000.00 for this item.

OPERATOR RESPONSE: In their response letter to inspection #AT21-025, dated February 1, 2022 the Operator stated: "Eatonton has a project underway to develop GIS mapping and modeling of its entire natural gas system with completion expected by the end of April 2022. Among other benefits, the GIS map will allow Eatonton to verify the mileage of mains in its gas system and to more accurately perform and document leakage surveys based on more reliable data. Upon completion of GIS mapping. Eatonton will be able to determine whether the discrepancy noted in this Probable Violation is due to an error in the miles of main on annual reports or if any mains have not been leakage surveyed."

The Operator also requested a conference with the FPU Director to discuss the proposed civil penalty.

FOLLOW-UP INSPECTION: During this inspection (#JS22-014) the City of Eatonton Gas Department showed Staff the GIS mapping book that was created in order to help them keep up with their miles of main verification. While this should aid in the Operator's efforts in verifying they are leak surveying all the pipe in the gas system. Once Eatonton Gas is certain they haven't missed the approximate 14.45 miles of pipe in their leak survey, this can be brought back before Staff for review.

Staff determined that this deficiency has not been addressed at this time.

Because all of the observed deficiencies have not been addressed Staff determined that this violation could not be cleared at this time.

2. In regard to the Probable Violation of 49CFR §192.181(a) which was cited in Inspection #AT21-025; in the inspection Staff stated: "Because the Operator could not demonstrate an actual process of how they determine where to install specific valves, Staff cannot determine if the Operator has complied with the requirements of §191.181(a), or if they can meet the requirements of §192.615(a)(6)."

OPERATOR RESPONSE: In their response letter to inspection #AT21-025, dated February 1, 2022, the Operator stated: "By February 28, 2022, Eatonton will implement criteria for determining the placement of valves in newly constructed distribution lines.

Eatonton is aware that GPSC Staff is preparing a Notice of Proposed Rulemaking that will include requirements related to valve placement. Upon final approval of this Proposed Rule, the new requirements will be incorporated into Eatonton's manuals, plans, and procedures, as appropriate."

FOLLOW-UP INSPECTION: During follow-up inspection #JS22-014 the City of Eatonton Gas Superintendent informed Staff that they are still working on this matter.

NOTE FROM SUPERVISOR REVIEW: The Operator is advised that their awareness of a proposed rule is not an acceptable response for this probable violation. The Operator is advised that they should take action to proactively address this requirement to ensure that they are not subject to additional enforcement going forward.

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

3. In regard to the Probable Violation of 49CFR §192.181(b) which was cited in Inspection #AT21-025; in the inspection Staff stated that: "The Operator failed to have a valve installed on the inlet piping at a distance from their regulator station that would permit the operation of the valve during an emergency that might preclude access to the station."

   OPERATOR RESPONSE: In their response letter to inspection #AT21-025, dated February 1, 2022, the Operator stated that: "By August 31, 2022, Eatonton will install inlet valves at the two regulator stations cited in this Probable Violation."

   FOLLOW-UP INSPECTION: During this inspection (#JS22-014) the City of Eatonton Gas Superintendent informed Staff that they are still on schedule to have the inlet valves installed at the Recreation Rd reg. station and the Components reg. station. Once installation is completed Pipeline Safety Staff will be able to reassess this probable violation.

   Staff determined that this probable violation 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 EATONTON GAS SYSTEM

Informal Conference Requested: Yes ☐ No ☐

Docket Number: 37049

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	$_____ Proposed Penalty for this violation
☐ Notice of Amendment (NOA)	☐ Yes ☐ No	
☐ Warning Letter	☐ Yes ☐ No	
☐ Letter of Concern	☐ Yes ☐ No	
☐ Observed Issue	☐ Yes ☐ No	
☐ Proposed Civil Penalty	☐ Yes ☐ No	

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:	)	
	)	
Continuing Violation Report	)	**DOCKET NO. 37049**
City of Eatonton Gas System	)	
Inspection JS22-014 on June 28, 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 Eatonton 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

*Gary M Sanders, City Administrator
City of Eatonton Gas System
P.O. Box 3820
Eatonton, GA 31024
gsanders@eatontonga.us

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

Respectfully Submitted this 18th day of January 2023:

Cathy Nesbitt

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