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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# 37094
DOCUMENT# 192709

Docket No. 37094

Town of Trion Gas Department
PO Box 850
1220 Pine St
Trion, GA 30753

REF: Comprehensive Inspection # JJ22-051

☒ Certified Mail ☐ Regular Mail ☐ Email

Attention: Mr. Lanny Thomas

On November 7, 2022, a representative of the Georgia Public Service Commission Pipeline/Facilities Safety Office conducted an inspection of your gas system. The enclosed inspection report numbered JJ22-051 is provided for your information and file.

In conjunction with this inspection report, Staff has recommended the following enforcement(s):

Enforcement Action:

- ☒ Notice of Probable Violation
- ☒ Notice of Probable Violation with Proposed Civil Penalty
- ☒ Notice of Amendment

Enforcement Letter:

- ☐ Warning Letter
- ☒ Letter of Concern

Enforcement Notification:

- ☐ Observed Issue
- ☐ No Violation

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. 37094 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: JJ22-051

OPERATOR: Town of Trion Gas Department

INVESTIGATOR: Joe Jones

INSPECTION DATE: November 7, 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 perform an inspection of the Operators natural gas pipeline, and pipeline facilities for compliance with the minimum federal standards in 49CFR Part 192.

2. CONTINUING VIOLATIONS

3. CLEARED VIOLATIONS

4. NEW VIOLATIONS

Violation	Description	Inspection#	Date
192.747(b)	Each operator must take prompt remedial action to correct any valve found inoperable, unless the...	JJ22-051	11/7/2022
192.181(b)	Each regulator station controlling the flow or pressure of gas in a distribution system must have...	JJ22-051	11/7/2022
192.467(c)	Except for unprotected copper inserted in a ferrous pipe, each pipeline must be electrically...	JJ22-051	11/7/2022
192.181(a)	Each high-pressure distribution system must have valves spaced so as to reduce the time to...	JJ22-051	11/7/2022
192.615(a)(6)	Emergency shutdown and pressure reduction in any section of the operator's pipeline system neces...	JJ22-051	11/7/2022

5. OTHER RECOMMENDATIONS/COMMENTS

SEE ATTACHED INSPECTION REPORT

TOWN OF TRION / COMPREHENSIVE INSPECTION
INSPECTION NUMBER JJ22-051 / DOCKET NUMBER 37094

From Nov. 7, thru Nov. 17, 2022, Staff reported to the Town of Trion Gas Department to perform a comprehensive inspection on the Operator's plans, procedures, programs, records and pipeline facilities for compliance with the minimum federal safety standards and conduct Protocol 9 OQ inspections for compliance with the minimum federal safety standards.

During this inspection the Operator was represented by:
Mike Hughes – Gas Supervisor
Jimmy Williams – Gas Tech
Maurice Chaney – MGAG/SRCS (Consultant)

Commission Staff was represented by:
Joseph Jones – Lead Inspector
Daphne Jones – Pipeline Safety Inspector
Daniel Clemmons – Pipeline Safety Inspector

At the time of this inspection, the Town of Trion was under no previously existing probable violation.

During this inspection Staff reviewed the Town of Trion written operations and maintenance procedures, records, and gas facilities for compliance with 49 CFR Parts 191 and 192, and the GPSC rules for safe operation of a natural gas distribution system. Staff reviewed the Town of Trion's Emergency Manual, the Operations and Maintenance Manual and the records for conducting regular operations on their gas system including the collection of field data required for the Operator's DIMP program. Staff also conducted field inspection of randomly selected pipeline field facilities located within the Town of Trion and Chattooga and Walker Counties including leak repairs, pressure stations and pressure recording devices, right of way conditions, atmospheric corrosion control, odorant testing, and accessibility of critical valves.

In addition to the comprehensive inspection Staff conducted four Operator Qualification Protocol 9 field reviews. Staff observed Wayne Whited as he performed Task # 1211- Periodic Sampling; Logan Greene - Task # 0301 – Manually Opening and Closing valves; Tyler Cordle - Task # 0001 – Measure Structure-to-Electrolyte (pipe to Soil) Potential; and Jimmy Williams - Task #0101- Inspect Rectifier and Obtain Readings.

The Operator provided the current qualification records for the individual before he performed each of the covered tasks. During the field reviews, Staff verified that the individual was able to perform each task by following the company approved procedures and that he was able to identify the abnormal conditions associated with each task and explain a course of action to mitigate the condition.

NOTICE OF PROBABLE VIOLATION

As a result of this inspection Staff found that the Town of Trion was in probable violation of the minimum federal safety standards; specifically:

1. CODE REQUIREMENT: 49CFR §192.181 – Distribution line valves.
   (b) Each regulator station controlling the flow or pressure of gas in a distribution system must have 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.

   COMMENTS: During field inspection, Staff observed that at some locations (Thomas Road / Tate Rd / Town Border / Mountain View / Clements Heights / Gate Station / Colefield) the Operator does not

have inlet valves at a reasonable distance from all of their pressure reducing stations and regulator stations so as to gain control of an emergency situation such as a fire, when the station cannot be approached or accessed.

PROBABLE VIOLATION: The Operator does not have a valve installed on the inlet piping at a distance from each regulator station sufficient to permit the operation of the valve during an emergency.

2. 49 CFR §192.467 - External corrosion control: Electrical isolation.
(c) Except for unprotected copper inserted in a ferrous pipe, each pipeline must be electrically isolated from metallic casings that are a part of the underground system. However, if isolation is not achieved because it is impractical, other measures must be taken to minimize corrosion of the pipeline inside the casing.

STAFF COMMENTS: Staff reviewed records which indicated that the Operator has not achieved electrical isolation at three of their casings. Staff also performed field inspections to verify that these casing were shorted. These location were identified as:

1. Old Hwy27 @ Airport Rd – Shorted casing (2017-2022)
2. Ridgeway Road at railroad – Shorted casing (2017-2022)
3. Mount Vernon at railroad – Shorted casing (2017-2022)

PROBABLE VIOLATION: The Operator failed to ensure that each of their pipelines is electrically isolated from metallic casings that are a part of the underground system.

3. 49 CFR §192.747 - Valve maintenance: Distribution systems.
(b) Each operator must take prompt remedial action to correct any valve found inoperable, unless the operator designates an alternative valve.

COMMENTS: In the Operator's O&M Manual, in Section 13-W, it states: "Town of Trion will take prompt remedial action to correct any valve found inoperable, unless Town of Trion designates an alternative valve." Staff noted that the procedure does not define what prompt remedial action is, does not identify who is responsible for making this designation, or how their personnel are to be notified of the change.

While reviewing the Operators valve maintenance records Staff found that Critical Valves #26-2 and valve #26-3 were identified as being inoperable in both the 2017- 2018 valve inspections. The Operator had no records to indicate that they had identified alternate valves. In year 2019, the Operators inspection records indicated that valves #26-2 and valve #26-3 were now secondary valves. Theses valves have not been fixed as of 11/15/2022.

PROBABLE VIOLATION: The Town of Trion failed to take prompt remedial action to correct their valves that were found inoperable during their annual maintenance for CY2017 and 2018, or to designates an alternative valve.

NOTICE OF AMENDMENT

As a result of this inspection Staff found that the Operator was in probable violation of the minimum federal safety standards; specifically,

1. 49 CFR, §192.181- Distribution line valves.
   (a) Each high-pressure distribution system must have valves spaced so as to reduce the time to shut down a section of main in an emergency. The valve spacing is determined by the operating pressure, the size of the mains, and the local physical conditions.

   STAFFS COMMENTS: During this inspection the Operator was unable to provide a process for the placement of distribution line valves in accordance with §192.181. Because the Operator could not define where these valves are required Staff could not determine if the Operator could perform an emergency shutdown and/or pressure reduction in any section of their pipeline system if it were necessary to minimize hazards to life or property as required by §192.615(a)(6). Staff also notes that the violation of §192.181(b) cited in this report is directly related to this issue.

   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).

   REQUIRED AMENDMENT: The Town of Trion must amend their procedures to address the placement of distribution line valves for their system.

2. 49 CFR, §192.615– Emergency Plans
   (a) Each operator shall establish written procedures to minimize the hazard resulting from a gas pipeline emergency. At a minimum, the procedures must provide for the following:
      (6) Taking necessary actions, including but not limited to, emergency shutdown, valve shut-off, or pressure reduction, in any section of the operator's pipeline system, to minimize hazards of released gas to life, property, or the environment.

   COMMENTS: The Operator was unable to provide a process in their emergency plan for how, when or where an emergency shutdown would take place in any section of their system. Also, the Operators emergency valves listed in their emergency plan do not identify which valve or valves shuts off a particular pipeline section in the event of an emergency.

   REQUIRED AMENDMENT: The Town of Trion must amend their procedures to ensure they can take necessary actions to perform emergency shutdowns, valve shut-off, or pressure reductions, in any section of their pipeline system, to minimize hazards of released gas to life, property, or the environment.

ITEM OF CONCERN

§192.615 - Emergency plans.
   (c) Each operator must establish and maintain liaison with the appropriate public safety answering point (i.e., 9-1-1 emergency call center) where direct access to a 9-1-1 emergency call center is available from the location of the pipeline, as well as fire, police, and other public officials, to:
      (1) Learn the responsibility and resources of each government organization that may respond to a gas pipeline emergency.
      (2) Acquaint the officials with the operator's ability in responding to a gas pipeline emergency.
      (3) Identify the types of gas pipeline emergencies of which the operator notifies the officials; and,
      (4) Plan how the operator and officials can engage in mutual assistance to minimize hazards to life or property.

COMMENTS: Staff reviewed the Operator's procedures for public officials does not include electric utilities in their service area. This is a concern, the Operator stated that North Georgia Electric has an Office in Chattooga County, but there is no local office for Georgia Power. Operator has no direct contact with ether electrical utility company. In the Operators manual section "X" liaison "states that Public Officials & Emergency Response Organizations in the Vicinity of the Pipeline: Appendix c., Operator will have a contact list of area public officials and entities.

ITEM OF CONCERN: The Operator does not have direct contact with electric utilities in their service area.

PROPOSED CIVIL PENALTY

Under Commission Rule 515-9-1.01, by virtue of the authority vested in the Commission by law and pursuant to orders issued by the Commission on May 4, 1967, July 6, 1967, April 23, 1968, and October 29, 1970, all Rules and Regulations prescribed by the United States Department of Transportation applicable to the "Transportation of Natural and Other Gas by Pipeline: Minimum Safety Standards" (C.F.R. 49, Parts 191 and 192) are by this Rule made the Rules and Regulations of the Georgia Public Service Commission for the safe installation and operation of all natural gas transmission and distribution facilities by companies subject to the jurisdiction of the Commission within this State.

Under Commission Rule 515-9-3-.08 (Written Formal Notice of Violation), the Commission may propose a civil penalty in conjunction with this notice of probable violation. Further, the Town of Trion is subject to civil penalties under O.C.G.A. § 46-2-91(b) which states that: Any operator which violates any rule or regulation of the commission prescribed pursuant to subsection (i) of Code Section 46-2-20, or which fails, neglects, or refuses to comply with any order after notice thereof, shall be liable to a penalty not to exceed the maximum penalties provided for in 49 C.F.R. Section 190.223.

Staff has reviewed the circumstances surrounding the probable violations cited in this report and has recommended the civil penalty/penalties listed below. Please note that this recommended amount is less than the amount authorized by Georgia law.

Item #	Code / Rule	Description	Proposed Penalty
3	§192.747(b)	Valve Maintenance	$5,000.00
TOTAL PROPOSED PENALTY			$5,000.00

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: Town of Trion Gas Department

Informal Conference Requested: Yes ☐ No ☐

Docket Number: 37094

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:	)	
	)	
Violation(s) Report with Civil Penalty;	)	**DOCKET NO. 37094**
Notice of Amendment; and	)	
Letter of Concern	)	
Town of Trion Gas Department	)	
Inspection JJ22-051 on November 7, 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 *Town of Trion Gas Department* 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

*The Honorable Lanny Thomas, Mayor
Town of Trion Gas Department
P.O. Box 850
1220 Pine Street
Trion, GA 30753
lthomas@townoftrion.net

*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