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Georgia Public Service Commission

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244 Washington Street, SW
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DOCKET# 37084
DOCUMENT# 204697

Docket No. 37084

City of Sugar Hill Gas System
4988 West Broad Street
Sugar Hill, GA 30518

REF: DIMP – Implementation Inspection # JS23-006

☐ Certified Mail ☐ Regular Mail ☒ Email

Attention: Mr. Paul Radford

On February 9, 2023, a representative of the Georgia Public Service Commission Pipeline/Facilities Safety Office conducted an inspection of your gas system. The enclosed inspection report numbered JS23-006 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. 37084 in your response.

Please let me know if there are any questions concerning this report at (404) 985-4271 or mthebert@psc.ga.gov. 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: JS23-006

OPERATOR: City of Sugar Hill Gas System

INVESTIGATOR: Jason Smith

INSPECTION DATE: February 9, 2023 REPORT MAILED DATE: June 6, 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 an inspection of the Operator's implementation of their Distribution Integrity Management Program (DIMP) for compliance with the minimum federal standards in 49CFR Part 192, SubPart P.

2. CONTINUING VIOLATIONS

Violation	Description	Inspection#	Date
Consent Agreement Pending	Operator is negotiating Consent Agreement with the FPU Director	JS20-037	9/24/2020

3. CLEARED VIOLATIONS

4. NEW VIOLATIONS

5. OTHER RECOMMENDATIONS/COMMENTS

On February 9, 2023, Pipeline Safety Staff reported to the City of Sugar Hill Gas System to perform a Distribution Integrity Management Program (DIMP) Implementation inspection.

During this inspection the Operator was represented by:
Matthew Allen - Gas Superintendent
Bruce Bagnasco - MGAG/SRCS (consultant)
Tim Franklin - MGAG/SRCS (consultant)

Commission Pipeline Safety Staff was represented by:
Jason Smith - Lead Inspector
Jeff Baggett - Pipeline Safety Supervisor

At the time of this inspection the City of Sugar Hill had no previously existing probable violations; however, they are negotiating a Consent Agreement with the Director for civil penalties which were proposed in Inspection Number JS20-005.

OBSERVED ISSUE

During this inspection Staff utilized PHMSA's Distribution Integrity Management Program Implementation inspection form #24 to review Sugar Hill Gas System's DIMP version 6.1.1, annual (7100) reports, maintenance/inspection records and work orders.

As a result of this inspection Staff observed the following issues:

1) Inspection form question #34. Mechanical Fitting Failures - Information Collection (Data) - Have accurate records been maintained documenting mechanical fitting failures that resulted in hazardous leaks?

Staff found Sugar Hill Gas System had two mechanical fitting failures in 2011 and one in 2021. While the records of 2011 were available for Staff's review, the Operator was not able to show records of the one mechanical fitting failure in 2021.

OBSERVED ISSUE: Sugar Hill Gas System failed to maintain records documenting a mechanical fitting failure that resulted in a hazardous leak.

2) Inspection form question #36. Mechanical Fitting Failures - Information Collection (DIMP) - Were procedure(s) followed for collecting the appropriate information and submitting PHMSA Form F-7100.1-2?

In Sugar Hill's DIMP version 6.1.1; Chapter 10 'Record Keeping' states that records of mechanical fitting failures will be maintained for ten years.

Section 11.1 'Implementation Plan' states procedures, policies and/or recordkeeping systems will be modified

as follows to collect and retain information required to be collected and retained under the DIMP plan, including:

Mechanical Fitting Failure data, including: location of the failure in the system, nominal pipe size, material type, nature of the failure including any contribution of local pipeline environment, fitting manufacture, and other information that can be found in markings on the failed fitting.

Staff found the Operator had two mechanical fitting failures in 2011 and one in 2021. While the records detailing the two from 2011 were available for Staff's review, the Operator was not able to show any record that detailed the one mechanical fitting failure in 2021.

OBSERVED ISSUE: Sugar Hill Gas System failed to follow procedures in their DIMP for collecting and retaining mechanical fitting failure data.

3) Inspection form question #5 (is a duplicate of question #34) - Have accurate records been maintained documenting mechanical fitting failures that resulted in hazardous leaks?

Staff found Sugar Hill Gas System had two mechanical fitting failures in 2011 and one in 2021. While the records of 2011 were available for Staff's review, the Operator was not able to show records of the one mechanical fitting failure in 2021.

OBSERVED ISSUE: Sugar Hill Gas System failed to maintain records documenting a mechanical fitting failure that resulted in a hazardous leak.

On February 17, 2023, Sugar Hill Gas System's Superintendent followed-up with an e-mail informing Staff that they went over the workorder tickets and found that the hazardous leak involving a mechanical joint failure was a typo. They corrected the typo and attached the amended (supplemental) 2021 annual (7100) report.

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.

BEFORE THE GEORGIA PUBLIC SERVICE COMMISSION
STATE OF GEORGIA

IN THE MATTER OF:	)	
	)	
Observed Issue Letter	)	**DOCKET NO. 37084**
City of Sugar Hill Gas System	)	
Inspection JS23-006 on February 9, 2023	)	
	)	

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 Sugar Hill 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

* Paul Radford, City Manager
City of Sugar Hill Gas System
4988 West Broad Street
Sugar Hill, GA 30518
paulradford@cityofsugarhill.com

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

Respectfully Submitted this 27th day of June 2023:

Cathy Nesbitt

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