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Georgia Public Service Commission

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DOCKET# 37024
DOCUMENT# 217786

Docket No. 37024

AGL - Operations and Engineering
Ten Peachtree Place, NE Suite 1000
Location 1365
Atlanta, GA 30309

REF: Comprehensive Inspection # DL23-012

☒ Certified Mail ☐ Regular Mail ☒ Email

Attention: Mr. Pedro Cherry

On March 2, 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 DL23-012 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. 37024 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: DL23-012

OPERATOR: AGL - Cumming

INVESTIGATOR: David Lewis

INSPECTION DATE: March 2, 2023 REPORT MAILED DATE: February 27, 2024

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 comprehensive inspection of the Operators plans, programs, procedures, pipeline, and pipeline facilities for compliance with the minimum federal safety standards in 49CFR Parts 191 and 192.

2. CONTINUING VIOLATIONS

3. CLEARED VIOLATIONS

4. NEW VIOLATIONS

Violation	Description	Inspection#	Date
192.469	External corrosion control: Test stations.	DL23-012	3/2/2023
192.605(a)	Each operator shall prepare and follow for each pipeline, a manual of written procedures for...	DL23-012	3/2/2023
192.465(d)	Each operator shall take prompt remedial action to correct any deficiencies indicated by the...	DL23-012	3/2/2023
192.603(b)	Each operator shall keep records necessary to administer the procedures established under §192.605.	DL23-012	3/2/2023
192.479(a)	Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the...	DL23-012	3/2/2023
192.491(c)	Each operator shall maintain a record of each test, survey, or inspection required by this sub...	DL23-012	3/2/2023
192.615(b)(3)	Review employee activities to determine whether the procedures were effectively followed in each...	DL23-012	3/2/2023
192.481(a)	Each operator must inspect each pipeline or portion of pipeline that is exposed to the atmosphere...	DL23-012	3/2/2023

5. OTHER RECOMMENDATIONS/COMMENTS

SEE ATTACHED INSPECTION REPORT

On March 1, 2023 Staff provided questions to AGLC-Cumming regarding the upcoming comprehensive inspection. During the periods of March 6, 2023 through March 10, 2023. Staff reported to the AGLC-Cumming Service Center and reviewed AGLC Cumming Service Center Operator's manuals, records, and field operations. Staff reported to AGLC Cumming Service Center on various dates between March 13 and March 17, 2023 to conduct the field inspection of AGLC Cumming. Staff also met several times between March 17 and May 31, 2023, to complete this inspection and reports. Staff conducted an exit interview on September 18, 2023.

During this inspection the Operator was represented by:
Rick Slagle - Director of Compliance and Quality Assurance
Ralph McCollum - Lead Compliance Engineer
Cordell Carter - Region Director
Charles Hagin - Manager, Regional Operations
Meagan Barnidge – Manager - Transmission
Mark Ray – Superintendent - System Ops
Hoke Cloud – Operations Foreman
Burt Thomas – Operations Foreman
Darryl King – Operations Supervisor
David Martin – Operations Supervisor
Jeff Harville – Superintendent, System Operations
Jeremy Perry - System Operations
Tim Conner - System Operations
Paul Goff - System Operations
Richard Flowers - Corrosion Technician
Nick Kitzmiller- Corrosion Supervisor
Alberto Cintron - Asset Protection
Carlos James - Asset Protection
Robert Smith - Quality Assurance
Doug Stephens - Operations Supervisor
Greg Alexander - Manager Corrosion
Alieu Lette - Assets Protection
Joe Byess - Systems Operations
Johnny Vaughn - Systems Operations

Commission Staff was represented by:
David Lewis - Lead Inspector
Jack Hewitt – Pipeline Safety Inspector
Alan Towe – Pipeline Safety Inspector
Kenny Rowe – Pipeline Safety Inspector
Brant Sweat – Pipeline Safety Inspector

At the time of this inspection Atlanta Gas Light Company Cumming Service Center was under no previously existing probable violation.

During this inspection, Pipeline Safety Staff examined AGLC-Cumming Service Center operations utilizing PHMSA Form 2 (Procedures / Records / Field Observations) to record the findings of the inspection.

Staff reviewed the AGLC-Cumming Service Center's:
- O&M Manual
- Emergency Plan

- MAOP Procedures and records
- 5-year Patrolling & Leakage records
- 5- year Regulator & Relief Insp.
- 5- year Work orders
- 5- year Corrosion Surveys
- 5- year Atmospheric Corrosion records
- 5- year Odorization Records
- 5- year O.Q. Procedures and records
- 5- year Valve maintenance and records
- 5-year Annual 7100 Reports

As a result of this inspection Staff noted the following probable violations of the minimum federal safety standards.

NOTICE OF PROBABLE VIOLATION

1) CODE REQUIREMENT: 49CFR, §192.605 Procedural manual for operations, maintenance, and emergencies
   (a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least one each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

   a) CODE REQUIREMENT: 49CFR §192.614 - Damage prevention program.
      (c) The damage prevention program required by paragraph (a) of this section must, at a minimum:
         (5) Provide for temporary marking of buried pipelines in the area of excavation activity before, as far as practical, the activity begins.

      STAFFS COMMENTS: Operator's procedures in Division II, Section 3.3.1(B), of their Operations and Procedural Manual (Regular Locate Requests) states: "Within forty-eight (48) hours (beginning at 7:00 A.M.) the next business day after the locate request has been received excluding Saturdays, Sundays, or holidays), Atlanta Gas Light or its contractor shall locate any underground facilities in the area described on the locate ticket, or notify the excavator that there no underground facilities in the area.

      Staff determined that the Atlanta Gas Light Company Cumming service center failed to identify and mark their facilities as required by their Operations and Procedural Manual on seventeen locate requests that were due on 3/6/2023 and legal to dig on 3/7/2023 that were responded to PRIS as 3N (Unmarked: Late). (example 230302-003258). Staff reviewed the Ga. Utilities Protection Center (GA 811) Positive Response Information System (PRIS) database and conducted a search for "Normal" tickets that were created for the week prior to this inspection, March 1, 2023 – March 8, 2023. Staff found that Atlanta Gas Light Company Cumming Service Center has three service center codes and those three codes showed that Atlanta Gas Light Company Cumming Service Center had answered nine hundred and forty-four (944) locate/ticket requests as PRIS Code 3N (Unmarked: late) on or before the respond by date. A further concern that Staff identified is that the majority of the nine hundred and forty-four (944) 3N responses were answered after 11:00 PM on the date that they were due. Staff has noted this probable violation on numerous inspection reports for the last four (4) Years.

PROBABLE VIOLATION: The Atlanta Gas Light Company - Cumming Service Center failed to follow their procedures required under §192.605(a) and their Operations and Procedural Manual for conducting their damage prevention program required under §192.614(c).

b) CODE REQUIREMENT: 49CFR §192.181 - Distribution line valves.
(c) Each valve on a main installed for operating or emergency purposes must comply with the following:
(1) The valve must be placed in a readily accessible location so as to facilitate its operation in an emergency.
(2) The operating stem or mechanism must be readily accessible.
(3) If the valve is installed in a buried box or enclosure, the box or enclosure must be installed so as to avoid transmitting external loads to the main.

STAFFS COMMENTS: During this inspection Staff selected random work orders from the last five (5) years that were identified as third-party damages to main pipelines involving Grade 1 leaks and found that the Operator had used valves on their main pipelines during the emergency. The valves used were not designated as a district emergency valve and were identified on their GIS system by their personnel during the emergency. The valves had to be uncovered by excavation in order to use for the emergencies.

According to their procedures found in Division II, Section 22.4.2, Page 34 of the Operators OPM, the Operator states the following: "Any valve that is uncovered and used during an emergency should have a valve box placed over it for future inspections where practical." Staff found that the Operator had not placed valve boxes on the valves used during an emergency.

PROBABLE VIOLATION: The Atlanta Gas Light Company - Cumming Service Center failed to follow the procedures found in their Operations and Procedure Manual, Division II, Section 22.4.2.

2) CODE REQUIREMENT §192.603 General provisions
(b) Each operator shall keep records necessary to administer the procedures established under §192.605.

STAFFS COMMENTS: The Operator's OPM Div. II, Section 2.6 'Patrolling Records' states: "A record shall be made of the time of each patrol or inspection identifying the portion of pipeline or distribution system covered and the conditions found. If maintenance or repair is necessary, the work performed and the date of completion shall be made part of the patrol record. See Division II, Section "Section 21: Record Keeping" on page 1 for retention of records."

The Operator's OPM Div. III, Section 10.2 'Buried Mains' states: "A standard pipeline marker (See Division III, Section "10.4 Pipeline Marker Installation" on the next page below) shall be placed and maintained as close as practical over each buried main at each crossing of a public road and railroad in Class 1 and 2 locations, or wherever necessary to identify the location of the main to reduce the possibility of damage or interference. Company personnel will complete investigations of markers along public rights-of way in rural areas (Class 1 and 2 locations) during regular patrolling exercises on an annual basis, with inspection intervals not to exceed 15 months. The inspection of pipeline markers should be tracked as appropriate in the Compliance Tracking System. A detailed procedure for this process is provided in Division III, Section 10.6."

During field inspections of the Operator's Class 1 and Class 2 locations, markers were found to be in good condition. The Operator stated that they maintained their Class 1 and Class 2 patrolling areas

through AGL continuing surveillance program; however, the Operator currently has no records being completed or retained as required by their OPM which requires the Operator to do annual inspections and retain documentation of the inspections performed.

PROBABLE VIOLATION: The Atlanta Gas Light Company - Cumming Service Center failed to demonstrate that they have complied with their Operations and Procedural Manual procedures to maintain a record of the time of each patrol or inspection identifying the portion of pipeline or distribution system covered and the conditions found.

3) CODE REQUIREMENT: 49 CFR §192.615 Emergency plans.
(b) Each operator shall:
(3) Review employee activities to determine whether the procedures were effectively followed in each emergency.

STAFFS COMMENTS: In Division II. Section 22, Item 22.3.1 of the Operators OPM it states: "Each service center shall: 3. Review employee activities to determine whether the emergency procedures were effectively followed in each emergency."

During this inspection Staff performed a review of the Operators emergency response records on third-party damages to its main pipelines involving Grade 1 leaks for calendar years 2018 to 2021. Staff found that the Operator had not documented that a review of their Field Service Associates' (FSA's) activities had been performed to determine whether emergency procedures were effectively followed.

PROBABLE VIOLATION: The Atlanta Gas Light Company - Cumming Service Center failed to demonstrate that they performed a review of their employee's activities as required under Part 192.615(b)(3) and their OPM Div. II Sec. 22 page 2.

4) CODE REQUIREMENT: 49CFR, §192.479 - Atmospheric corrosion control; General.
(a) Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere, except pipelines under paragraph (c) of this section.

STAFFS COMMENTS: In Div. II Section 8, Item 8.22 it states:

"Each pipeline or portion of pipeline that is exposed to the atmosphere must be cleaned and applied with a coating suitable for the prevention of atmospheric corrosion. Coatings shall be in accordance with Division III, Section "7.5 Protective Coating Requirements" on page 9.."

Remedial action shall be taken whenever necessary to maintain protection against atmospheric corrosion. Light surface oxidation or minor atmospheric corrosion that does not affect the safe operation of the pipeline before the next scheduled inspection does not require remedial action. However, it is considered good practice to recoat aboveground facilities before the coating further deteriorates and more extensive remediation is required.

If atmospheric corrosion is found, remedial measures must be taken to the extent required by Division II, Section "8.24 Corrosion Remedial Measures" on page 91, and the facility exposed to atmospheric corrosion cleaned and either coated or jacketed with an approved material suitable for the prevention of atmospheric corrosion as indicated above. Inspection and maintenance information should be recorded as appropriate."

During field inspection, Staff discovered atmospheric corrosion on the meter set at 3515 Matt. Hwy (Setting Down Creek Bridge), 301 Veterans Memorial Pkwy., 440 Canton Rd. 1310 Canton Hwy (BP / Fellowship Christian Church) 133 Merchants Square (Stars and Strikes) The Operator provided records that indicated that these aboveground facilities had been inspected on March 30, 2020 and April 7, 2021 however no noted issues were observed;

PROBABLE VIOLATION: The Atlanta Gas Light Company - Cumming Service Center failed to clean and coat the pipeline at numerous meter sets as required under 192.479(a) and as required in their OPM Procedure.

5) CODE REQUIREMENT: 49CFR, §192.469 External corrosion control: Test stations.
Each pipeline under cathodic protection required by this subpart must have sufficient test stations or other contact points for electrical measurement to determine the adequacy of cathodic protection.

COMMENTS: In Division III Section 7.15.1 states "Test stations enable the corrosion engineer to determine the effectiveness of cathodic protection installations while also providing a means of pinpointing trouble areas through potential and current monitoring. Each pipeline or distribution system under cathodic protection shall have a sufficient number of test stations or other contact points for electrical monitoring. Typical test stations are shown in drawings attached."

During the field inspection Staff took pipe to soil potential readings on two cathodic protection test points that were reading below criteria. One test point (at the high pressure service at the Operator's service center) was an established test point until 2017, but was deactivated and has not been checked since 2017. There were no other test points in this isolated section therefore it has not been monitored or had any cathodic protection applied since 2017. In another system a reading was taken at the Pine Grove Baptist Church that did not meet criteria and according to the Operator that service was an annual test point that was deactivated in 2016 and this area has not been monitored since 2016. The Operator did not provide any evidence that remedial action had been taken to address the low readings prior to eliminating the test points as active test points.

PROBABLE VIOLATION: The Atlanta Gas Light Company - Cumming Service Center failed to ensure that each pipeline or distribution system under cathodic protection has a sufficient number of test stations or other contact points for electrical monitoring as required by §192.469 and their OPM procedures.

6) CODE REQUIREMENT: 49CFR §192.481 - Atmospheric corrosion control: Monitoring.
(a) Each operator must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:

If the pipeline is located:	Then the frequency of inspection is:
Onshore:	At least once every 3 calendar years, but with intervals not exceeding 39 months.

STAFFS COMMENTS: In Division II, Section 8, Item 8.22, of the Operators OPM it states: "All aboveground facilities that transport gas, including pipe, valves, compressor units, metering stations, regulator and odorizer stations, storage tanks, holders, and fabricated assemblies, shall be

inspected for evidence of active corrosion at least once every 3 calendar years, but with intervals not exceeding 39 months.

Staff conducted random field inspections for atmospheric corrosion and found four (4) locations 1340 Oak Industrial, 1360 Oak Industrial, 3415 Holy Park, and 340 W. Maple St. (Tyson Foods) where meter sets had been removed and the Operator could not produce records showing the remaining risers had been inspected for atmospheric corrosion.

PROBABLE VIOLATION: The Atlanta Gas Light Company - Cumming Service Center failed to demonstrate that they have inspected portions of their pipeline exposed to the atmosphere as required under 49CFR §192.481(a) and their OPM procedure.

7) CODE REQUIREMENT: 49CFR §192.465 External corrosion control: Monitoring and remediation.
(d) Each operator must promptly correct any deficiencies indicated by the inspection and testing required by paragraphs (a) through (c) of this section. For onshore gas transmission pipelines, each operator must develop a remedial action plan and apply for any necessary permits within 6 months of completing the inspection or testing that identified the deficiency. Remedial action must be completed promptly, but no later than the earliest of the following: prior to the next inspection or test interval required by this section; within 1 year, not to exceed 15 months, of the inspection or test that identified the deficiency; or as soon as practicable, not to exceed 6 months, after obtaining any necessary permits.

STAFFS COMMENTS: In Division II, Section 8, Item 8.7.1 of the Operators OPM it states:

"Each cathodic protection rectifier or other impressed current power source shall be inspected six times each calendar year, but with intervals not exceeding 75 days, to ensure that it is operating. The required entries and all maintenance or adjustments made shall be recorded as appropriate.

Routine inspection of rectifiers may be accomplished by using remote monitoring units (RMUs). Data collected during routine inspection via RMUs must include the rectifier voltage and amperage output at the time of inspection.

Corrosion personnel should review the rectifier reports periodically and promptly investigate any trouble indicated by the readings."

During this inspection Staff found that the Operators records indicated that the Post, Burgess, Atlanta Rd., Dawsonville, Pine, Lake, Dahlonega, and Camilla, Rectifiers were not working during periods ranging from 2 to 7 months. The Operator had no records to demonstrate that any prompt remedial action to correct the deficiencies was taken as required.

Staff also reviewed annual corrosion record readings and found test points in the King Rd. Rectifier System had CP readings that did not meet the Operator's established CP criteria for June 22, 2021, and June 14, 2022. The Operator provided evidence that they had taken actions to correct the identified deficiencies, however these did not take place until December 27, 2022.

Staff also noted that in AGLC's Operations and Procedures Manual, in Division 2, Section 8, Item 8.15.6 page 50 it states that: "Measurement Activities Any voltage readings over 15 volts AC must be reported to the Transmission Integrity Management and Corrosion Control Departments." Staff noted that the Operators records indicated that AC voltage above 16 volts was found on the transmission line on Price

Rd. on 7/22/2021; 8/20/2021; 4/14/2022 and 7/14/2022. Staff found no evidence that this had been reported to the Transmission Integrity Management and Corrosion Control Departments, or that any action had been taken to address the deficiency.

PROBABLE VIOLATION: The Atlanta Gas Light Company - Cumming Service Center failed to demonstrate that they had taken prompt remedial action to correct the deficiencies identified during the monitoring of their rectifiers required by §192.465(b) and their OPM procedures.

8) CODE REQUIREMENT: 49CFR §192.491 Corrosion control records.
(c) Each operator shall maintain a record of each test, survey, or inspection required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that a corrosive condition does not exist.

STAFFS COMMENTS: In Division III, Section 7, Item 7.22 states "Records or maps that show the location of cathodically protected piping, cathodic protection facilities, galvanic anodes, and neighboring structures bonded to the cathodic protection system shall be maintained for as long as the pipeline remains in service."

During the field inspection Staff found The Cathodic Protection system that includes Oak Industrial Lane (AGL Cumming Service Center area) had no cathodic protection applied because a bond was disconnected that tied the system together with an existing rectifier. The Operator does not know how long this condition existed because the Periodic Test Points that were used to monitor this section were deactivated / retired in 2017. (No evidence Operator found bond wire and bonded it over while we were there)

PROBABLE VIOLATION: The Atlanta Gas Light Company – Cumming Service Center failed to maintain records or maps to show the location of cathodically protected piping, cathodic protection facilities, galvanic anodes, and neighboring structures bonded to the cathodic protection system.

ITEMS OF CONCERN

1) CODE REQUIREMENT: 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:
(3) Prompt and effective response to a notice of each type of emergency, including the following:
(i) Gas detected inside or near a building.
(ii) Fire located near or directly involving a pipeline facility
(iii) Explosion occurring near or directly involving a pipeline facility.
(iv) Natural disaster.

STAFF COMMENTS: During this inspection Staff reviewed random records related to third party damages to their main pipelines resulting in Grade 1 leaks. Staff found in one instance the Operator had taken over nine (9) hours from the time a call was received to perform an emergency shutdown and in another instance it took over four (4) hours. Staff also found several other calls that were over two (2) hours from the time received till shutdown.

STAFF CONCERN: In their OPM Division II, Section 22, Item 22.3.9 paragraph c it states:

"The Company IC or operator-qualified Gas Operations personnel shall determine the most expedient way to shut off the flow of gas. Localized emergency valves that segment portions of the main should be considered for use first if they are readily accessible.

In addition to the use of any existing emergency valves within a distribution system, consideration may also be given to other approved engineering control methods of stopping gas flow (such as squeezing off, stopping off, or bagging-off techniques)."

Staff was unable to determine from Operator personnel how long shutting off a valve versus squeezing off the main would take given the third-party damage emergencies reviewed during this inspection. Staff was also not given a determination on how long it would take to shut-off any of the Operators exiting emergency districts using the District Shutoff valves established in their emergency plan. Some of the Operators Shut-off Districts have over 8,400 customers in them with 13 valve shut-off locations.

Staff also found in the Operators Service Center a manual titled "Public Officials Contacts." In the manual Staff found a section (Emergency Shutdown) on page 2 of 5 which stated the following "In an emergency, Company crews can use specialized pipe squeezers, or in some unique circumstances, valves, to shut down a section of pipeline." This language appears to conflict with the emergency procedures as stated in Div. II, Section 22.3.9, Item c which indicates that localized emergency valves should be considered for use first.

2) CODE REQUIREMENT: 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.

STAFF COMMENTS: In the Operators OPM Division II, Section 22, Item 22.4.5 - Review of Shut-Off Districts it states;

"Shut-off districts shall be periodically reviewed by Company personnel familiar with the distribution system(s) within the districts. Reviewers may include Engineering Design, the local service center staff, System Operations, and other concerned parties.

When additions to a distribution system such as subdivisions or large commercial projects are proposed, Engineering Design shall review the proposal and determine its impact on any existing shut-off district. Should it be determined that the project will compromise the integrity of a district, additional district valves shall be specified, and added as soon as practical, to allow the district to function as intended in an emergency."

STAFF CONCERN: Staff was unable to determine who and when the last review was performed. Staff was also unable to determine how many valves the Operator has per Emergency Shutoff District that are not designated District shutoff valves that may be used in an emergency. OPM Div. II Sec 22.4.2 paragraph B, states that; "All district shut-off valves are emergency valves (but the reverse is not necessarily true). Each distribution system that has been segmented into distinct emergency districts should have district shut-off valves spaced so as to reduce the time to shut down a district in an emergency."

3) CODE REQUIREMENT: 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:
      (5) Actions directed toward protecting people first and then property.
      (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.
      (7) Making safe any actual or potential hazard to life or property.

   STAFFS COMMENTS: Under §191.181(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.

   In Division III, Section 2, Item 2.8.1 of the Operators OPM Procedures manual it states that: "Distribution system sectionalizing valves shall be provided at readily accessible locations in distribution systems to allow shutdown of a section of main or emergency district in an emergency."

   During this inspection Staff found in the Operators Service Center a manual titled "Public Officials Contacts." In the manual Staff found a section (Emergency Shutdown) on page 2 of 5 which stated the following "In an emergency, Company crews can use specialized pipe squeezers, or in some unique circumstances, valves, to shut down a section of pipeline. After a pipeline is shutdown, employees must inspect each building served by that system before gas flow is reinstated to ensure that gas does not accumulate inside a building and create a hazard. The decision to shut down part of the gas system should be made by company personnel who understand the full effect of the shutdown as well as the availability of alternative actions."

   Staff also reviewed random records related to third-party damages to their main pipelines resulting in Grade 1 leaks. Staff found in one instance the Operator had taken over nine (9) hours from the time a call was received to perform an emergency shutdown and in another instance it took over four (4) hours. Staff also found several other calls that were over two (2) hours from the time received till shutdown.

   STAFFS CONCERN: Staff is concerned that Atlanta Gas Light Personnel will only consider the use of a valve to shut down a section of pipeline in a unique circumstance instead of using a valve when required to comply with the requirements of §192.615, which could subject the Operator to additional enforcement actions.

During the field evaluation, Staff observed the Operator's personnel perform five (5) Protocol 9 field inspections in Cumming, GA. The Operator provided the individual qualifications to perform covered tasks. Staff examined the individual records before observing the performance in the field. Staff verified that qualification records for these individuals were current.

- Richard Flowers / AGL Corrosion Tech / OQ003B "Collecting Pipe to Soil Voltages" / Tasks performed correctly / Qualification verified as current Qualifications good through 7/6/2025.
- Chris Mann / Foreman / OQ003B "Collecting Pipe to Soil Voltages" / Tasks performed correctly / Qualification verified as current Qualifications good through 10/2/2025.
- Jesse Pilcher / Crew Foreman / OQ032A "Leak Investigation" / Tasks performed correctly / Qualification verified as current Qualifications good through 5/10/2024.
- Joe Byess / Foreman / OQ028A "Installing, Operating, Inspecting and Testing Pressure Limiting Devices (Regulator Station)" / Tasks performed correctly / Qualification verified as current Qualifications good through 7/11/2025.

- Johnny Vaughn / Foreman / OQ028A "Installing, Operating, Inspecting and Testing Pressure Limiting Devices (Regulator Station)" Tasks performed correctly / Qualification verified as current Qualifications good through 6/3/2023.

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 Atlanta Gas Light Company 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
5	§192.469	Test stations	$15,000.00
7	§192.465(d)	Remedial Actions	$15,000.00
TOTAL PROPOSED PENALTY			$30,000.00

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: ATLANTA GAS LIGHT COMPANY

Informal Conference Requested: Yes ☐ No ☐

Docket Number: 37024

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	Proposed Penalty for this violation
☐ 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:	)	
	)	
Probable Violation(s) Report with	)	**DOCKET NO. 37024**
Proposed Civil Penalty and	)	
Letter of Concern	)	
Atlanta Gas Light Company- Cummings	)	
Inspection DL23-012 on March 2, 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 *Atlanta Gas Light Company* 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

* Pedro Cherry, President and CEO
Southern Company Gas
Ten Peachtree Place, NE,
Atlanta, GA 30309
ppcherry@southernco.com

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

Respectfully Submitted this 5th day of March 2024:

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

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL™

7011 3500 0001 0594 4620

7011 3500 0001 0594 4620

U.S. Postal Service™

CERTIFIED MAIL™ RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

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For delivery information visit our website at www.usps.com®

OFFICIAL USE

Postage	$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage	

Postmark Here

Sent To * Pedro Cherry, President and CEO
Southern Company Gas

Street, Apt. No. or PO Box No. Ten Peachtree Place, NE,

City, State Atlanta, GA 30309

DOCKET NO. 37024 pection DL23-012

PS Form 3800, August 2006 See Reverse for Instructions

SENDER: *COMPLETE THIS SECTION*

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

* Pedro Cherry, President and CEO
Southern Company Gas
Ten Peachtree Place, NE,
Atlanta, GA 30309

DOCKET NO. 37024

Inspection DL23-012

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X ☐ Agent ☐ Addressee

B. Received by (*Printed Name*) C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (*Extra Fee*) ☐ Yes

2. Article Number (*Transfer from service label*) 7011 3500 0001 0594 4620

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540