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DOCKET # 37018
DOCUMENT # 212797

Docket No. 37018

City of Adairsville Gas System
116 Public Square
Adairsville, GA 30103

REF: DIMP – Implementation Inspection # JB23-017

☐ Certified Mail ☐ Regular Mail ☒ Email

Attention: Ms. Pamela Madison

On November 14, 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 JB23-017 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. 37018 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: JB23-017

OPERATOR: City of Adairsville Gas System

INVESTIGATOR: Jeff Baggett

INSPECTION DATE: November 14, 2023 REPORT MAILED DATE: February 28, 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 an inspection of the Operators 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
Under Consent Agreement	Operator is under a Consent Agreement.	JB18-005	5/30/2018
192.605(a)	Each operator shall prepare and follow for each pipeline, a manual of written procedures for...	JB18-012	7/17/2018
192.605(a)	Each operator shall prepare and follow for each pipeline, a manual of written procedures for...	KR22-016	5/23/2022
192.615(c)	Each operator shall establish and maintain liaison with appropriate fire, police, and other...	KR22-016	5/23/2022
192.479(a)	Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the...	KR22-016	5/23/2022
192.181(a)	Each high-pressure distribution system must have valves spaced so as to reduce the time to...	KR22-016	5/23/2022
192.615(a)(2)	Each operator shall establish written procedures to minimize the hazard resulting from a...	KR22-016	5/23/2022
192.455 (e)	Aluminum may not be installed in a buried or submerged pipeline if that aluminum is exposed to an...	KR22-016	5/23/2022
192.147(a)	Each flange or flange accessory (other than cast iron) must meet the minimum requirements of...	KR22-016	5/23/2022

3. CLEARED VIOLATIONS

4. NEW VIOLATIONS

5. OTHER RECOMMENDATIONS/COMMENTS

SEE ATTACHED INSPECTION REPORT

CITY OF ADAIRSVILLE GAS SYSTEM / DIMP IMPLEMENTATION INSPECTION
INSPECTION NUMBER JB23-017 / DOCKET NUMBER 37018

On November 14, 2023, Pipeline Safety Staff reported to the City of Adairsville Gas System to perform an inspection of the Operators implementation of their Distribution Integrity Management Program (DIMP).

During this investigation, the Operator was represented by:
Steve Smith – Gas System Manager
Tim Palafas – Compliance Technician
Maurice Chaney - MGAG/SRCS (Consultant)

Commission Staff was represented by:
Jeff Baggett - Lead Inspector
Joe Jones – Pipeline Safety Inspector

At the time of this inspection the City of Adairsville Gas System was under eight (8) previously existing probable violations and had one Consent Agreement item from Inspection Number LB17-006. These items are addressed in Inspection Number DC23-034

NOTICE OF AMENDMENT

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

§192.1007 What are the required elements of an integrity management plan?
(f) Periodic Evaluation and Improvement. An operator must re- evaluate threats and risks on its entire pipeline and consider the relevance of threats in one location to other areas. Each operator must determine the appropriate period for conducting complete program evaluations based on the complexity of its system and changes in factors affecting the risk of failure. An operator must conduct a complete program re-evaluation at least every five years. The operator must consider the results of the performance monitoring in these evaluations.

STAFFS COMMENTS: Section 7.2 of the Operators DIMP Plan identifies "Risk Based Performance Measures for eight (8) identified threats. For six (6) of these threats the plan states that Adairsville believes that the relative risk of these threats is so low that no additional actions are required. Two (2) of the identified threats (Corrosion > Atmospheric Corrosion and Other Threats > Other Threats Cross-Bores) do not have any language concerning performance measures, or identify any additional/accelerated actions.

REQUIRED AMENDMENT: The City of Adairsville must amend their DIMP Plan to address the risk based performance measures for their identified threats of atmospheric corrosion and cross bores.

ITEM OF CONCERN

§192.1007 What are the required elements of an integrity management plan?
(e) Measure performance, monitor results, and evaluate effectiveness.
  (1) Develop and monitor performance measures from an established baseline to evaluate the effectiveness of its IM program. An operator must consider the results of its performance monitoring in periodically re-evaluating the threats and risks. These performance measures must include the following:

(i) Number of hazardous leaks either eliminated or repaired as required by § 192.703(c) of this subchapter (or total number of leaks if all leaks are repaired when found), categorized by cause;
(ii) Number of excavation damages;
(iii) Number of excavation tickets (receipt of information by the underground facility operator from the notification center);
(iv) Total number of leaks either eliminated or repaired, categorized by cause;
(v) Number of hazardous leaks either eliminated or repaired as required by § 192.703(c) (or total number of leaks if all leaks are repaired when found), categorized by material; and
(vi) Any additional measures the operator determines are needed to evaluate the effectiveness of the operator's IM program in controlling each identified threat.

STAFFS CONCERN: Section 7.5 of the Operators DIMP Plan states: "The performance measure tracking data will be entered annually on the Excel Baseline Tracking Spreadsheet. This spreadsheet establishes a TRENDLINE based on a rolling average of the previous 2 to 3 years of categorized leak data. This trendline is compared to the 10-year rolling average BASELINE data as outlined in BASELINE PERFORMANCE MEASUE MONITORING above to determine if increases are found."

Given the frequency of some required O&M activities, Staff is concerned that the Operators timeline for trendline development may not be appropriate.

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 Adairsville

Informal Conference Requested: Yes ☐ No ☐

Docket Number: 37018

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:	)	
	)	
Notice of Amendment and Letter of Concern	)	**DOCKET NO. 37018**
City of Adairsville Gas System	)	
Inspection JB23-017 on November 14, 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 Adairsville 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

*Pamela Madison, City Manager
City of Adairsville Gas System
116 Public Square
Adairsville, GA 30103
pmadison@adairsvillega.net

*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