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# Georgia Public Service Commission

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DOCKET# 37042
DOCUMENT# 218041

Docket No. 37042

Dalton Utilities
P. O. Box 869
Dalton, GA 30722

REF: 199 Inspection # JS23-032

☐ Certified Mail ☐ Regular Mail ☒ Email

Attention: Mr. John Thomas

On November 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 JS23-032 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. 37042 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: JS23-032

OPERATOR: Dalton Utilities

INVESTIGATOR: Jason Smith

INSPECTION DATE: November 9, 2023 REPORT MAILED DATE: March 19, 2024

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 on the Operator's anti-drug and alcohol misuse program for compliance with 49CFR Part(s) 40 and 199.

2. CONTINUING VIOLATIONS

| Violation | Description | Inspection# | Date |
|---|---|---|---|
| Consent Agreement Pending | Operator is negotiating Consent Agreement with the FPU Director | JS23-011 | 3/14/2023 |
| 192.181(a) | Each high-pressure distribution system must have valves spaced so as to reduce the time to... | AT23-032 | 7/17/2023 |

3. CLEARED VIOLATIONS

4. NEW VIOLATIONS

| Violation | Description | Inspection# | Date |
|---|---|---|---|
| 199.105(c)(6) | The operator shall randomly select a sufficient number of covered employees for testing during... | JS23-032 | 11/9/2023 |

5. OTHER RECOMMENDATIONS/COMMENTS

On November 9, 2023, Pipeline Safety Staff began reviewing Dalton Utilities anti-drug & alcohol plan. Then on November 29, 2023, Staff reported to Dalton Utilities to conduct a drug & alcohol inspection on the Operator's anti-drug & alcohol plan and records.

During this inspection Dalton Utilities was represented by:
Ralph Smith - Natural Gas Regulatory & Pipeline Manager
Stacy Gilmer - Designated Employer Representative (DER)
Erik Atkins - Foreman
Maurice Chaney - MGAG/SRCS (consultant)

Pipeline Safety Staff was represented by:
Jason Smith - Lead Inspector
Brant Sweat - Pipeline Safety Inspector

At the time of this inspection Dalton Utilities was under five (5) previously existing probable violations. These items were addressed under Inspection Number JS23-011.

During this inspection, Staff reviewed Dalton Utilities anti-drug & alcohol plan for compliance with Part 40 & 199 of the Pipeline Safety Regulations utilizing PHMSA's drug & alcohol inspection form.

Staff examined the Operator's drug and alcohol testing records for covered employees who fall under the plan, Management Information System (MIS) data, qualification documentation for service agents, and records demonstrating how Dalton Utilities ensures their contractors who perform covered functions for them are following the drug & alcohol regulations.

NOTICE OF PROBABLE VIOLATION

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

§199.105 - Drug tests required.
Each operator shall conduct the following drug tests for the presence of a prohibited drug:
(c) Random Testing
(6) The operator shall randomly select a sufficient number of covered employees for testing during each calendar year to equal an annual rate not less than the minimum annual percentage rate for random drug testing determined by the Administrator. If the operator conducts random drug testing through a consortium, the number of employees to be tested may be calculated for each individual operator or may be based on the total number of covered employees covered by the consortium who are subject to random drug testing at the same minimum annual percentage rate under this subpart or any DOT drug testing rule.

COMMENTS: According to the Operator's Anti-Drug and Alcohol Plan section 4.1 'Random Testing' it states "Dalton Utilities will randomly select a sufficient number of covered employees for testing during each calendar year to equal an annual rate not less the minimum annual percentage rate for random drug testing determined by the Administrator" The minimum annual percentage rate for random drug testing rate during Calendar Years 2018 through 2022 was 50 percent.

During this inspection Staff found that in 2018 Dalton Utilities had 61 covered employees subject to drug testing, and 30 random drug tests were performed during the year. The number of random test should have been 31. In 2019 the Operator had 57 covered employees subject to drug testing, and 20 random drug tests were performed. The number of random test should have been 29.

PROBABLE VIOLATION: Dalton Utilities failed to select a sufficient number of covered employees for testing to ensure that they conducted random drug testing at the required minimum annual percentage rate during calendar years 2018 and 2019.

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:** | ) | |
| | ) | |
| **Probable Violation Report** | ) | **DOCKET NO. 37042** |
| **Dalton Utilities** | ) | |
| **Inspection JB23-009 on March 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 *Dalton Utilities 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

*John Thomas, CEO
Dalton Utilities
P.O. Box 869
Dalton, GA 30722
jthomas@dutil.com

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

Respectfully Submitted this 26th day of March 2024:

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