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Georgia Public Service Commission

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DOCKET# 37024
DOCUMENT# 221615

Docket No. 37024

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

REF: DIMP Inspection # JB24-008

☐ Certified Mail ☐ Regular Mail ☒ Email

Attention: Mr. Pedro Cherry

On May 15, 2024, a representative of the Georgia Public Service Commission Pipeline/Facilities Safety Office conducted an inspection of your gas system. The enclosed inspection report numbered JB24-008 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 L. Thebert
Director, Office of Pipeline Safety/Facilities Protection

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REPORT OF NATURAL GAS SAFETY

INSPECTION NO: JB24-008

OPERATOR: AGL - Operations and Engineering

INVESTIGATOR: Jeff Baggett

INSPECTION DATE: May 15, 2024 REPORT MAILED DATE: February 18, 2025

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 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
192.467	External corrosion control: Electrical isolation.	AT16-048	10/4/2016
192.361(b)	Support and backfill. Each service line must be properly supported on undisturbed or...	AT17-016	4/5/2017
192.463(a)	Each cathodic protection system required by this subpart must provide a level of cathodic…	AT17-027	8/14/2017
192.747(b)	Each operator must take prompt remedial action to correct any valve found inoperable, unless the...	AT17-027	8/14/2017
192.465(d)	Each operator shall take prompt remedial action to correct any deficiencies indicated by the...	AT17-027	8/14/2017
192.745(b)	Each operator must take prompt remedial action to correct any valve found inoperable, unless...	AT17-027	8/14/2017
192.615(a)(1)	Receiving, identifying, and classifying notices of events which require immediate response by the...	AT17-027	8/14/2017
192.615(a)(11)	Actions required to be taken by a controller during an emergency in accordance with § 192.631.	AT17-027	8/14/2017
192.475(a)	Corrosive gas may not be transported by pipeline, unless the corrosive effect of the gas on the...	AT17-027	8/14/2017
192.1007(e)	Measure performance, monitor results, and evaluate effectiveness.	AT19-031	7/31/2019
192.605(a)	Each operator shall prepare and follow for each pipeline, a manual of written procedures for...	JB21-005	5/1/2021
192.616(c)	The operator must follow the general program recommendations, including baseline and supplemental...	AT21-015	5/11/2021
192.631(b)	Each operator must define the roles and responsibilities of a controller during normal, abnormal...	JB21-022	8/18/2021
192.631(d)(3)	Train controllers and supervisors to recognize the effects of fatigue	JB21-022	8/18/2021
192.631(e)(5)	Monitor the content and volume of general activity being directed to and required of each...	JB21-022	8/18/2021
192.631(h)(6)	Control room team training and exercises that include both controllers and other individuals...	JB21-022	8/18/2021
192.605(a)	Each operator shall prepare and follow for each pipeline, a manual of written procedures for...	AT21-030	11/9/2021
192.805(f)	Communicate changes that affect covered tasks to individuals performing those covered tasks	AT21-030	11/9/2021
192.805(g)	Identify those covered tasks and the intervals at which evaluation of the individual's...	AT21-030	11/9/2021
192.805(i)	After December 16, 2004, notify the Administrator or a state agency participating under 49 U.S.C...	AT21-030	11/9/2021

3. CLEARED VIOLATIONS

4. NEW VIOLATIONS

5. OTHER RECOMMENDATIONS/COMMENTS

SEE ATTACHED INSPECTION REPORT

ATLANTA GAS LIGHT COMPANY / DIMP INSPECTION
INSPECTION NUMBER JB24-008 / DOCKET NUMBER 37024

From May 21-22, 2024, Staff reported to the Atlanta Gas Light Company (AGLC) corporate headquarters to perform a Distribution Integrity Management Program (DIMP) inspection of the Operator's program required under 49CFR, SubPart P.

During this inspection, the Operator was represented by:
Kevin Graham - Director, Distribution Integrity Management Program Analytic Services
Taylor Talkington - Senior Analyst Integrity Management & Analytic Services
Andrew Campbell - Mgr, Compliance Analytics
Chris Jackson - Analyst Sr, Dist Integrity
Daniel Mayer - Analyst Sr, Dist Integrity
Stephanie Graves - Analyst II, Dist Integrity
Rick Slagle - Director Compliance and Quality Assurance
Ralph McCollum - Regulatory Compliance Lead Engineer

Commission Staff was represented by:
Jeff Baggett – Supervisor, Facilities Protection Unit / Lead Inspector
David Lewis – Pipeline Safety Inspector
Brant Sweat – Pipeline Safety Inspector

At the time of this inspection the AGLC - Operations and Engineering was under 20 previously existing probable violations. During this inspection Staff only addressed the violation of §192.1007(e) which was existing from the Operators previous DIMP Implementation inspection. This item is addressed in Follow-up Inspection JB24-010.

During this inspection Staff reviewed the Atlanta Gas Light Company DIMP procedures and processes for compliance with Part 192 of the Pipeline Safety Regulations. Staff conducted this audit utilizing PHMSA form 22 Distribution Integrity Management Program Plan Review. Staff reviewed the Operators last 10 years of annual gas distribution reports submitted to PHMSA and compared the threats indicated by this data with the threats indicated in the Operators program.

WARNING LETTER

As a result of this inspection Staff found that Atlanta Gas Light Company was in probable violation of the minimum federal safety standards; specifically:

§192.1007 What are the required elements of an integrity management plan?
(b) Identify threats. The operator must consider the following categories of threats to each gas distribution pipeline: corrosion (including atmospheric corrosion), natural forces, excavation damage, other outside force damage, material or welds, equipment failure, incorrect operations, and other issues that could threaten the integrity of its pipeline. An operator must consider reasonably available information to identify existing and potential threats. Sources of data may include incident and leak history, corrosion control records (including atmospheric corrosion records), continuing surveillance records, patrolling records, maintenance history, and excavation damage experience.

STAFFS COMMENTS: Staff previously found that in August of 2018 AGLC had responded to 15,019 locate tickets with PRIS Code 3N – Unmarked: Late. In subsequent inspections Staff has repeatedly raised their concern about the company's failure to ensure that locates are performed as required. (Ref. Inspection Numbers AT19-009; DL19-004; DL19-013; AT20-014; DL20-030; JB21-005; JH22-001; and DL23-012)

During this inspection (JB24-008) Staff advised AGLC that they had reviewed data from the Utility Protection Center (UPC or GA-811) for locate tickets that AGLC received and the responses that were submitted to the Positive Response Information System (PRIS) for those tickets. This review indicated the following normal locate ticket totals for AGLC:

Year	(#) Ticket Count	(#) Late Count	(#) Late 3N	(#) Late 3N Final Response
2021	852,099	4,348	57,086	521
2022	810,109	1,438	69,472	1,833
2023	709,290	25,521	57,114	5,054
Jan – Apr 2024	235,274	1,515	20,577	2,608

Staff also reviewed UPC data for the 4th Quarter of CY2023 which indicated that a significant number of the locate tickets which were initially responded to in PRIS as "3N: Unmarked: Late" are not located for an extended period of time. For example, of the 4,108 tickets which were responded to as 3N, for Oct 2023, 2,190 were ultimately revised to indicate they have been located. However, while 586 were reported as marked and updated in PRIS within 24 hours after the effective date of the ticket, 1,604 tickets were not updated until at least 48 hours after the effective date of the ticket. 605 of those tickets were not located until a period from 8 to 32 days after the effective date of the ticket.

PROBABLE VIOLATION: Staff found that Atlanta Gas Light Company has failed to utilize the information that is available to them from the Utility Protection Center (Georgia 811) to address the potential threat to their pipelines by their failure to locate their facilities as required.

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
☐ Warning Letter	☐ Yes ☐ No
☐ Letter of Concern	☐ Yes ☐ No
☐ Observed Issue	☐ Yes ☐ No
☐ Proposed Civil Penalty	☐ Yes ☐ No

$_____
Proposed Penalty for this violation

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:	)	
	)	
Atlanta Gas Light Company	)	**DOCKET NO. 37024**
	)	
	)	
	)	

CERTIFICATE OF SERVICE

I, hereby certify that I have this day served a copy of the within and foregoing document on the following persons via email and/or United States Mail as follows:

*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 4th day of March 2025:

Cathy Nesbitt

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