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Georgia Public Service Commission

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DOCKET# 37059
DOCUMENT#222444

Docket No. 37059

City of Hogansville Gas System
400 East Main Street
Hogansville, GA 30230

REF: DIMP Inspection # JS24-034

☐ Certified Mail ☐ Regular Mail ☒ Email

Attention: Ms. Lisa Kelly

On October 8, 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 JS24-034 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. 37059 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: JS24-034

OPERATOR: City of Hogansville Gas System

INVESTIGATOR: Jason Smith

INSPECTION DATE: October 8, 2024 REPORT MAILED DATE: April 29, 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 Operator's Distribution Integrity Management Program (DIMP) for compliance with the minimum federal standards in 49CFR Part 192, SubPart P.

2. CONTINUING VIOLATIONS

3. CLEARED VIOLATIONS

4. NEW VIOLATIONS

Violation	Description	Inspection#	Date
192.1007(f)	Periodic Evaluation and Improvement.	JS24-034	10/8/2024
192.1007(b)	Identify threats. The operator must consider the following categories of threats to each gas...	JS24-034	10/8/2024

5. OTHER RECOMMENDATIONS/COMMENTS

SEE ATTACHED INSPECTION REPORT

On August 29, 2024, Pipeline Safety Staff requested that the city of Hogansville Gas System provide documentation and their Distribution Integrity Management Plan for Staff to prepare for upcoming DIMP and DIMP Implementation inspections. On September 16, 2024, the Operator provided Staff with a copy of version 4.1.0 of their DIMP to review prior to showing up on site for scheduled inspections. This version of their DIMP was re-evaluated on 1/01/2022 to incorporate Operator data from 2017 through 2021.

On October 2, 2024, Staff began reviewing Hogansville Gas System's annual 7100 reports, Operator Dashboard information from the PHMSA portal page and their DIMP (ver. 4.1.0).

On October 16, 2024, Staff reported to the city of Hogansville to perform an inspection of the gas system's Distribution Integrity Management Plan (DIMP) for compliance with the minimum federal standards in 49CFR Part 192, SubPart P.

During this inspection the Operator was represented by:
Ryan Diaz - Hogansville Gas Superintendent
Chris Welborn - MGAG/SRCS (consultant)

Pipeline Safety Staff was represented by:
Jason Smith - Lead Inspector
Glen Murphy - Pipeline Safety Inspector
Eric Atkins - Pipeline Safety Inspector (during review)

At the time of this inspection the City of Hogansville Gas System had no previously existing probable violations.

NOTICE OF PROBABLE VIOLATION

As a result of this inspection, Staff found the City of Hogansville Gas System in probable violation of the minimum federal safety standards; specifically:

49CFR §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.

PHMSA's GAS Distribution Integrity Management (DIMP) inspection form
- Question #1. Identify Threats - Information Considered, states: Did the operator consider the information that was reasonably available to identify existing and potential threats?
- Question #2. Identify Threats - Information Considered, states: In identifying threats did the information considered include all of the required data and information sources?

STAFF'S COMMENTS: While reviewing Hogansville's DIMP version 4.1.0, under section 11.2 'List of Answers From SHRIMP™ Interviews', Staff noticed some inconsistencies in their answers, based off

reviewing data submitted on their annual 7100 reports and the state excavation damage reporting system (GUFPA database).

- The 'Services by Size (PART B3)' table shows a Total of 1,032 plastic services in the system. A previous table in the DIMP, and the annual 7100 report states the number of plastic services is 1,038.

- The 'Equipment Malfunction Threat' table ask how many leak repairs resulting from equipment problems occurred during the following years and shows one (1) under service in 2017. The 2017 annual 7100 report does not show this leak.

- Under 'Excavation Damage Threat' a question is asked, if 'Over the past few years have any your lines been mis-located? If so, indicate the cause of the mis-locates. (EXC009)'. Hogansville answered, 'No Mis-locates.'
  - Staff found that the Operator submitted a report of probable violation in the GUFPA system for mis-locating a service in 2021. Apparently, a gas tech submitted it without the gas superintendent's knowledge.
  - In addition, Staff found that the Operator submitted another report of probable violation for an excavation damage (GUFPA Case Detail 95710 - 4/28/21 @ 115 Ware St) against a customer for not having a locate ticket request. There was no indication this 2021 excavation damage made it into their DIMP.

- Under 'Natural Forces Threat', multiple tables list the miles of main as 36766. Miles of Main should be 36.766.

While the Operator and their consultant contend these issues give the appearance as minor, and would have a very little, insignificant effect on their DIMP; Staff contends that the only way to definitively know the effect, would be to make every effort to ensure valid data is input into SHRIMP.

On October 18, 2024, Hogansville Gas System made corrections and then ran a re-evaluation of their DIMP. This produced DIMP version 4.1.1, which now included three additional threats: Excavation (mislocating lines), Equipment Malfunction (prone to failure: meter sets - Sensus/S-275), and another Equipment Malfunction (failing equipment: meter sets – Sensus/S-275).

PROBABLE VIOLATION: The City of Hogansville Gas System failed to ensure that they are incorporating accurate information that is considered reasonably available into their Distribution Integrity Management Plan.

NOTICE OF AMENDMENT

49CFR §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.

PHMSA's GAS Distribution Integrity Management (DIMP) inspection form question #1. Periodic Evaluation – Requirements, states: Do the procedures for periodic evaluation include all of the requirements of §192.1007(f)?

STAFF'S COMMENTS: While reviewing Hogansville's DIMP version 4.1.1 (re-evaluation date: 10/18/24), under Chapter 3 'Knowledge of the Distribution System' and Chapter 8 'Periodic Evaluation and Improvement', it should specify a time frame for when Hogansville Gas System will review and re-evaluate their DIMP.

- Chapter 3 states: "This Plan will be reviewed at least to continually refine and improve this Plan."
- Chapter 8 states: "HOGANSVILLE GAS SYSTEM, CITY OF will conduct a complete re-evaluation of this Plan no less than."

It appears that the Operators DIMP software did not populate all of the language for the time frames required in these statements.

The Operator's previous DIMPs called for reviews and re-evaluations to be done no less than every Five (5) Years. In Hogansville's previous DIMP version 4.1.0 (date: 2/3/22), Chapter 3 states: "This Plan will be reviewed at least Every Five (5) Years to continually refine and improve this Plan.". Chapter 8 states: "HOGANSVILLE GAS SYSTEM, CITY OF will conduct a complete re-evaluation of this Plan no less than Every Five (5) Years."

REQUIRED AMENDMENT: The City of Hogansville Gas System must amend their DIMP plan to ensure that their procedures for periodic evaluation include all of the requirements of §192.1007(f)?

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 Hogansville

Informal Conference Requested: Yes ☐ No ☐

Docket Number: 37059

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	$_____ Proposed Penalty for this violation
☐ Notice of Amendment (NOA)	☐ Yes ☐ No	
☐ 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:	)	
	)	
City of Hogansville Gas System	)	**DOCKET NO. 37059**
	)	
	)	
	)	

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

*Lisa Kelly, City Manager
City of Hogansville Gas System
400 East Main Street
Hogansville, GA 30230
lisa.kelly@cityofhogansville.org

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

Respectfully Submitted this 5th day of May 2025:

Cathy Nesbitt

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