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Georgia Public Service Commission

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Atlanta, GA 30334-5701

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psc.ga.gov

DOCKET# 37024
DOCUMENT# 222664

Docket No. 37024

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

REF: Comprehensive Inspection # JB24-017

☐ Certified Mail ☐ Regular Mail ☒ Email

Attention: Mr. Pedro Cherry

On June 10, 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 JB24-017 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. 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: JB24-017

OPERATOR: AGL - Vidalia

INVESTIGATOR: Jeff Baggett

INSPECTION DATE: June 10, 2024 REPORT MAILED DATE: May 1, 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 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

5. OTHER RECOMMENDATIONS/COMMENTS

SEE ATTACHED INSPECTION REPORT

ATLANTA GAS LIGHT COMPANY – VIDALIA SERVICE CENTER / COMP INSPECTION
INSPECTION NUMBER JB24-017 / DOCKET NUMBER 37024

Between June 10 and August 5, 2024, Staff met with representatives from the Atlanta Gas Light Company to review records of operations and maintenance activities in preparation for comprehensive inspections of the Clayton, Conyers, Milledgeville, Newnan, Northwest GA (NWGA / Rome), Valdosta, Vidalia and Waycross Service Center.

From September 23-26, 2024, Staff performed a review of emergency response plans and records, and field evaluations of facilities in the Vidalia Service Center. (Bleckley, Dodge, Emmanual, Laurens, Montgomery, Tattnal, Telfair, Toombs, Treutlen, Twiggs, Wheeler, Wilkinson) This inspection was cut short due to the arrival of Hurricane Helene.

During this inspection, the Operator was represented by:
Rick Slagle - Director, Compliance and Quality Assurance
Ralph McCollum - Principal Compliance Engineer
David Hawkes - Operations Supervisor
Rex Hall - Operations Supervisor
Nick Kitzmiller - Corrosion Control Manager
Roger Jochem – Corrosion Control Supervisor
Kaylee Melton – Operations Manager
Kyle Outler – Operations Supervisor
Shaun Hutchinson – Operations Foreman

Commission Staff was represented by:
Jeff Baggett – Lead Inspector / Supervisor, Facilities Protection Unit
Jason Smith – Pipeline Safety Inspector
Joe Jones – Pipeline Safety Inspector
Jack Hewitt– Pipeline Safety Inspector
Eric Atkins– Pipeline Safety Inspector
Chuck Whitaker– Pipeline Safety Inspector
Glen Murphy – Pipeline Safety Inspector

At the time of this inspection the AGLC Milledgeville Service Center had no previously existing probable violations.

As a result of this inspection Staff found that the AGLC Milledgeville Service Center was in probable violation of the minimum federal safety standards; specifically:

ITEMS OF CONCERN

1. §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.

   STAFFS CONCERN: Staff was not able to adequately evaluate the Operators system to determine if there are sufficient test points. PHMSA Enforcement Guidance for §192.469 states that "The operator must have sufficient test stations where data is collected to demonstrate that its entire pipeline is cathodically protected. (A test station is the location designated by the operator on a pipeline or facility, where cathodic protection readings are taken.) Test stations for potential, current, or resistance measurements should be provided at sufficient locations to facilitate cathodic protection testing. Such locations may include, but not be limited to, the following: pipe casing installations, metallic structure

crossings, isolating joints, waterway crossings, bridge crossings, valve stations, galvanic anode installations, road crossings, stray-current areas, and rectifier installations…"

Prior to arriving on-site AGLC provided Staff with a listing of facilities that indicated that the Vidalia Service Center is operating 486.6 miles of steel mains and more than 10,833 services (exact number of steel services was not determined) in a 12-county area. Cathodic protection for these facilities is provided by 12 rectifiers that are located across seven (7) of the twelve counties. During this inspection AGLC provided Staff with a "Test Point Reads (Audit)" from their CPDM system. For the Vidalia Service Center this report was a PDF file and an Excel spreadsheet that is more than 1,800 lines long and cannot be filtered to allow for a high level review of the data. AGLC was also unable to provide a readily accessible map or access to a mapping system that Staff could use to gain a proper perspective as to where cathodic protection facilities and test points are located in reference to the specific pipeline segments that are being monitored in their system. The Operators corrosion personnel can generate some maps to evaluate areas, but the time required to perform an overall system evaluation by this method is not reasonable for either party.

2. §192.491 Corrosion control records.
   (a) Each operator shall 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. Records or maps showing a stated number of anodes, installed in a stated manner or spacing, need not show specific distances to each buried anode.
   (b) Each record or map required by paragraph (a) of this section must be retained for as long as the pipeline remains in service.
   (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 CONCERN: During this inspection Staff was not able to perform an adequate review of the Operators cathodic protection (CP) systems. §192.463(a) requires that each cathodic protection system required by this subpart provide a level of cathodic protection that complies with one or more of the applicable criteria contained in Appendix D of this part; and §192.491(c) requires each operator to 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.

   Section 8.2.5 of the AGLC Operations and Procedures Manual addresses "Records for Monitoring Cathodically Protected Systems" and states that these records are to be "recorded on a corrosion control computer system or as appropriate." Staff is aware that Atlanta Gas Light Company utilizes the American Innovations Pipeline Compliance System (PCS) Cathodic Protection Data Manager (CPDM) to maintain records for their CP systems. Staff is also aware that the AGLC DIMP program identifies CPDM as the application used by the Corrosion Department for the purposes of CP compliance management.

   In previous inspections AGLC has provided Staff with the CPDM Exceptions Report for the service center systems being audited. This report includes survey data and other related information only for facilities that fail to meet certain criteria and is useful in allowing Staff to identify systems with issues that should be reviewed further for compliance. AGLC would not provide this report for this audit. According to the CPDM users guide the software also includes reports for "Compliance" and "Delinquency," and states that "Compliance reports are a key report typically used for auditing purposes." AGLC refused to provide these reports.

Prior to arriving on-site AGLC provided Staff with a listing of facilities that indicated that the Milledgeville Service Center is operating 200.8 miles of steel mains and more than 12,700 services (exact number of steel services was not determined) in a five (5) county area. Cathodic protection for these facilities is provided by 14 rectifiers that are located across four (4) of the five (5) counties. During this inspection AGLC provided Staff with a "Test Point Reads (Audit)" from their CPDM system. For the Milledgeville Service Center this report was a PDF file and an Excel spreadsheet that is more than 3,000 lines long and cannot be filtered to allow for a high level review of the data. AGLC was also unable to provide a readily accessible map or access to a mapping system that Staff could use to gain a proper perspective as to where cathodic protection facilities and test points are located in reference to the specific pipeline segments that are being monitored in their system. The Operators corrosion personnel can generate some maps to evaluate areas, but the time required to perform an overall system evaluation by this method is not reasonable for either party.

Staff believes that the CP records provided by AGLC, combined with the time and personnel available for this audit did not allow them to properly evaluate the CP systems in the Newnan Service Center area for compliance with the requirements of SubPart I.

3. §192.615 Emergency plans.
   (a) Each operator shall establish written procedures to minimize the hazard resulting from a gas pipeline emergency…
   (b) Each operator shall:
   (3) Review employee activities to determine whether the procedures were effectively followed in each emergency.

   STAFFS COMMENTS: Staff found that AGLC's procedure was inadequate because it does not include steps for personnel to follow when reviewing an employee's activities following an emergency to determine whether that employee effectively followed the procedures. During this inspection Staff requested records which demonstrated that employee activities were reviewed following emergencies. Staff found that AGLC's procedure for compliance with the requirements of §192.615(b)(3) is in Division 2, Section 22, Item 22.3.1 of their Operations and Procedures Manual (OPM), but it does not have an actual procedure and simply parrots the code language when 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 noted that the Operations Foreman for the Vidalia Service Center performs a review of all completed work orders; however, Staff also noted that companies actual process for review of emergencies under §192.615(b)(3) is the same process for the periodic review of completed work required by §192.605(b)(8). While the Vidalia Service Center is reviewing all work orders Staff has previously identified that reviews of completed work appear typically only occur on work orders in the "Click Reviewer" system when they are flagged by the system as having a "business warning." Staff intends to address this issue with AGLC as a notice to amend their procedure for this requirement.

   STAFFS CONCERN: While the AGLC Vidalia Service Center demonstrated that they are reviewing their employee activities to determine whether their emergency procedures were effectively followed in each emergency, this is not required by the Operators procedures.

OBSERVED ISSUE

1. §192.603 General provisions

(b) Each operator shall keep records necessary to administer the procedures established under §192.605.
STAFFS OBSERVATION: During this inspection Staff reviewed leak survey records for CY's 2019-2023. Staff found that there were inconsistencies in the documentation in the front of the leak survey map books. The signature sheets have guidance that calls for the leak survey technician and a service center employee to annotate when a map is completed, but there were multiple instances of missing signatures. This resulted in some survey maps appearing to indicate that the area had not been surveyed. When following up with the service center personnel Staff found that these area were on the boundary with another Service Center territory and the area had been leak surveyed through them.

2. §192.613 Continuing surveillance.
   (b) If a segment of pipeline is determined to be in unsatisfactory condition but no immediate hazard exists, the operator shall initiate a program to recondition or phase out the segment involved, or, if the segment cannot be reconditioned or phased out, reduce the maximum allowable operating pressure in accordance with §192.619 (a) and (b).

   STAFFS OBSERVATION: During this inspection Staff observed that in Toombs County, on the Operators Alamo to Vidalia 6- inch pipeline at the intersection to Dr Smiths Property was last patrolled on August 14, 2024, and that there is visible pipe that appears to need to be replaced.

During this inspection Staff conducted two (2) OQ Protocol 9 field evaluations.

- Collins, Jesse Emory - Pressure Control Specialist performed "Installing Operating, Inspecting and Testing Pressure Limiting Devices (Regulator Station)" / Task #OQ028A / Tasks performed correctly / Qualification verified as current Qualifications good through 12/31/2024.
- Wright, Michael S - Pressure Control Specialist perfomred "Valve Inspection" Task #OQ052A / Tasks performed correctly / Qualification verified as current Qualifications good through 07/31/2026.

Staff verified that each individual was able to perform the covered tasks according to the procedures and was able to identify generic and task specific abnormal conditions and define the applicable actions.

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	$_____ 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:	)	
	)	
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

* Walt Farrell, President and CEO
Southern Company Gas
Ten Peachtree Place, NE,
Atlanta, GA 30309
wffarell@southernco.com

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

Respectfully Submitted this 19th day of May 2025:

Cathy Nesbitt

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