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Docket No. 37082

DOCKET# 37082
DOCUMENT# 225800

City of Sparta Gas System
P. O. Box H
Sparta, GA 31087

REF: DIMP Inspection # JS25-020

☐ Certified Mail ☐ Regular Mail ☒ Email

Attention: Mr. Allen Haywood

On June 18, 2025, a representative of the Georgia Public Service Commission Pipeline/Facilities Safety Office conducted an inspection of your gas system. The enclosed inspection report numbered JS25-020 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. 37082 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

COMMISSIONERS

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REPORT OF NATURAL GAS SAFETY

INSPECTION NO: JS25-020

OPERATOR: City of Sparta Gas System

INVESTIGATOR: Jason Smith

INSPECTION DATE: June 18, 2025 REPORT MAILED DATE: March 11, 2026

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

Violation	Description	Inspection#	Date
199.101	Anti-Drug Plan	JJ20-014	3/10/2020
192.147	Flanges and flange accessories.	JS20-042	11/16/2020
192.479(a)	Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the...	JS20-042	11/16/2020
192.615(a)(2)	Each operator shall establish written procedures to minimize the hazard resulting from a...	JS20-042	11/16/2020

3. CLEARED VIOLATIONS

4. NEW VIOLATIONS

Violation	Description	Inspection#	Date
192.1007(c)	Evaluate and rank risk.	JS25-020	6/18/2025
192.1007(f)	Periodic Evaluation and Improvement.	JS25-020	6/18/2025
192.1011	What records must an operator keep?	JS25-020	6/18/2025

5. OTHER RECOMMENDATIONS/COMMENTS

SEE ATTACHED INSPECTION REPORT

On June 18, 2025, Pipeline Safety Staff began reviewing the Sparta Natural Gas annual 7100 reports, Operator Dashboard information from the PHMSA portal page, and their Distribution Integrity Management Plan (version 4.1). On July 7, 2025, Staff reported to the City of Sparta to perform a Distribution Integrity Management Plan (DIMP) inspection.

During this inspection, the Operator was represented by:
Bobby Gunter - Gas Superintendent
Amanda Akins - Utility Director
Peter Schultz - Harp and Associates (consultant)

Commission Staff was represented by:
Jason Smith - Lead Inspector
Glen Murphy- Pipeline Safety Inspector

At the time of this inspection the City of Sparta Natural Gas System was under six (6) previously existing probable violations. These violations are addressed under Follow-up Inspection Number JS25-011.

NOTICE OF PROBABLE VIOLATION

As a result of this inspection Staff found that the City of Sparta Natural Gas System was in probable violation of the minimum federal safety standards; specifically:

1. 49CFR §192.1007 - What are the required elements of an integrity management plan?
   (c) Evaluate and rank risk. An operator must evaluate the risks associated with its distribution pipeline. In this evaluation, the operator must determine the relative importance of each threat and estimate and rank the risks posed to its pipeline. This evaluation must consider each applicable current and potential threat, the likelihood of failure associated with each threat, and the potential consequences of such a failure. An operator may subdivide its pipeline into regions with similar characteristics (e.g., contiguous areas within a distribution pipeline consisting of mains, services and other appurtenances; areas with common materials or environmental factors), and for which similar actions likely would be effective in reducing risk.

   STAFFS COMMENTS: PHMSA Gas Distribution Integrity Management (DIMP) inspection form, Question #7. Rank Risk – Validation, states: Did the operator validate the results generated by the risk evaluation model/method?

   - Staff questioned if Sparta Natural Gas conducted a validation of the generated risk evaluation model generated by the SHRIMP application since their DIMP versions; 2019-05-19, 2021-07-28, and current 2023-03-14 all have Corrosion; Unprotected – Coated Steel as a potential threat.

   - A search of Sparta's annual 7100 reports, going back to 2004 does not show the Operator having unprotected, coated steel in their distribution system.

   - Upon further review of Sparta's DIMP, Staff found on the materials table in section 11.2 'List of Answers and Data Sources from SHRIM Interviews', the Operator mistakenly listed 33 miles of main and 98 services under 'Unprotected, Coated', instead of Cathodically Protected, Coated; where it should have actually been.

- Staff believes this mistake is why the Corrosion; Unprotected – Coated Steel threat is in Sparta's DIMP.

PROBABLE VIOLATION: The City of Sparta Natural Gas System failed to validate the risk evaluation model generated by SHRIMP.

2. 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.

STAFFS COMMENTS: PHMSA Gas Distribution Integrity Management (DIMP) inspection form Question #2. Periodic Evaluation – Implementation, states: Do records demonstrate implementation of the element "Periodic Evaluation and Improvement"?

- Sparta's DIMP version 2014-01-17; Chapter 3 'Knowledge of the Distribution System' states this plan will be reviewed at least every 3 years to continually refine and improve the plan.
- Chapter 8 'Periodic Evaluation and Improvement' states Sparta will conduct a complete re-evaluation of the plan no less than every 3 years.
- The Operator could not demonstrate a re-evaluation of their DIMP took place in 3 years; 2017.
- The next version of Sparta Natural Gas' DIMP was version 2019-05-29.

PROBABLE VIOLATION: The City of Sparta Natural Gas System could not provide records to demonstrate they followed their written DIMP procedure for program re-evaluation.

3. 49CFR §192.1011 - What records must an operator keep?
An operator must maintain records demonstrating compliance with the requirements of this subpart for at least 10 years. The records must include copies of superseded integrity management plans developed under this subpart.

STAFFS COMMENTS: PHMSA Gas Distribution Integrity Management (DIMP) inspection form Question #3. Records – Implementation, states: Has the operator maintained the required records?

Chapter 10 'Record Keeping' of Sparta's DIMP states the following records will be maintained for ten years:
- records of data required to be collected to calculate performance measures listed in Chapter 7, Measure Performance, Monitor Results and Evaluate Effectiveness'
- data sources referenced during the threat assessments listed in Section 11.3, 'List of Data Sources from SHRIMP™ Interviews'
- inspection, maintenance and other records relied upon in developing this written DIMP plan, as listed in the data sources fields in Section 11.2, "List of Answers and Data Sources from SHRIMP™ Interviews" of this Plan.

- Staff requested to see some of the Operator's work orders from 2020 – the present. Staff asked the Operator if they could provide documentation/work orders for the following:

1) A gas service repair that took place on 6/9/2022 at 9532 Jones Street under ticket #220609-001461
2) A gas service repair that occurred on 11/29/2022 at 280 Gordon Street under ticket #221129-002677
3) A gas main repair that occurred on Hamilton Street, near Jones St on 7/26/2023 under ticket #230726-002326

The Operator was unable to provide any documentation for the two gas service line repairs that occurred in 2022.

PROBABLE VIOLATION: The City of Sparta Natural Gas System failed to demonstrate they maintained records as required by Subpart P and their written DIMP.

While on site, Staff performed Operator Qualification Protocol 9 field validation inspections on gas department personnel to ensure that covered tasks are being performed in accordance with appropriate operator-approved procedures. The Operator provided qualification records for Bobby Gunter - Gas Superintendent; for Pipeline Safety Staff to examine prior to observing performance of the tasks. Staff verified that the qualification records were current.

Bobby Gunter performed the following covered task:
- Task #0301 'Open and Close Valves Manually' his qualifications are good through 6/26/2028
- Task #0591 'Perform Leak Test at Operating Pressure' his qualifications are good through 3/3/2028
- Task #0941 'Install Tracer Wire' his qualifications are good through 3/25/2028

Staff verified Bobby Gunter was able to perform the covered tasks according to the procedures and was able to identify abnormal operating conditions (AOCs).

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

Informal Conference Requested: Yes ☐ No ☐

Operator Name: City of Sparta Gas System

Docket Number: 39082

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:	)	
	)	
City of Sparta Gas System	)	**DOCKET NO. 37082**
	)	
	)	
	)	

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

*The Honorable Allen Haywood, Mayor
City of Sparta Gas System
P.O. Box H
Sparta, GA 31087
allensusan6@bellsouth.net

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

Respectfully Submitted this _____ day of March 2026:

Cathy Nesbitt

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