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(404) 463-6526
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psc.ga.gov

DOCKET# 37086
DOCUMENT# 227409

Docket No. 37086

City of Sylvania Gas Department
104 South Main Street
Sylvania, GA 30467

REF: DIMP Inspection # JS26-007

☐ Certified Mail ☐ Regular Mail ☒ Email

Attention: Stacy Mathis

On February 2, 2026, a representative of the Georgia Public Service Commission Pipeline/Facilities Safety Office conducted an inspection of your gas system. The enclosed inspection report numbered JS26-007 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. 37086 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: JS26-007

OPERATOR: City of Sylvania Gas Department

INVESTIGATOR: Jason Smith

INSPECTION DATE: February 2, 2026 REPORT MAILED DATE: July 30, 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
Consent Agreement Pending	Operator is negotiating Consent Agreement with the FPU Director	JJ20-030	6/9/2020
192.807(b)	Records supporting an individual's current qualification shall be maintained while the individual...	JS25-001	1/21/2025

3. CLEARED VIOLATIONS

4. NEW VIOLATIONS

Violation	Description	Inspection#	Date
192.1007(c)	Evaluate and rank risk.	JS26-007	2/2/2026
192.1007(f)	Periodic Evaluation and Improvement.	JS26-007	2/2/2026
192.1007(b)	Identify threats. The operator must consider the following categories of threats to each gas...	JS26-007	2/2/2026

5. OTHER RECOMMENDATIONS/COMMENTS

SEE ATTACHED INSPECTION REPORT

On February 2, 2026, Pipeline Safety Staff began reviewing the City of Sylvania Gas System's Distribution Integrity Management Plan. On February 9-10, 2026, Staff reported to the City of Sylvania to perform the DIMP inspection.

During this inspection the Operator was represented by:
Michael Phillips - Gas Superintendent
Chris Cawley - MGAG/SRCS (Consultant)

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

At the time of this inspection, the City of Sylvania Gas System was under one (1) previously existing probable violation that the Operator had not yet received their written notice for. Since the Operator has not had the opportuninty to submit a written response to this probable violation, Staff did not perform a follow-up inspection. Sylvania Gas System was also negotiating a Consent Agreement with the Facilities Protection Unit Director, which was discussed during an informal conference that occurred on September 29, 2025.

During this inspection, Staff examined the Operator's current Distribution Integrity Management Plan version 6.1 generated on 01/01/2026. Staff reviewed Sylvania Gas System's annual 7100 reports, identified threats, accelerated actions, baseline measures, and performance measures.

WARNING LETTER

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

1. §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 Gas Distribution Integrity Management (DIMP) Inspection form – Question #5 'Identify Threats' states: Do records demonstrate implementation of the element "Identify Threats"?

   COMMENTS: While reviewing the Operator's annual 7100 reports, Staff found Sylvania Gas System reported one 'Other Cause' leak on a service in 2016 and one in 2024; however, the records of reported leaks from 2016 and 2024 have not been incorporated into the Operator's DIMP version 6.1 in order to identify potential threats.

   PROBABLE VIOLATION: The City of Sylvania Gas System failed to identify all potential threats in their Distribution Integrity Management Plan.

2. §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.

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?

COMMENTS: Section 11.4 'Description of the Process Followed to Develop this Plan' under #IV. 'Validate Risk Rankings' of the Operator's DIMP version 6.1 states: "If you entered any threats in the "Other Threats" interview those threats will be listed first with no assigned rank. These threats MUST be manually placed by the user where the user feels these threats belong in the list of threats." Threat #2 = Other Threat (Cross Bores) Threat #3 = Internal Corrosion; Threat #4 = Atmospheric Corrosion; Threat #5 = Cathodic Protected, Coated Steel; and Threat #6 = Other Outside Forces.

The Operator informed Staff that they had no leaks caused by cross bores; no issues with internal corrosion, and no leaks caused by atmospheric corrosion. Sylvania Gas System has had leaks on cathodic protected, coated steel. Their annual 7100 reports show one corrosion leak in 2012 and one in 2022.

Section 11.2 'List of Answers from SHRIMP Interviews' shows a chart illustrating repaired corrosion leaks on services between 2016 and 2025. The 2022 corrosion leak is shown on this chart.

Based off the process provided in section 11.4, Staff contends if the Operator validated the risk ranking, 'Cathodic Protected, Coated Steel' should have been placed above 'Other Threat - Cross Bores' in the risk ranking since they have not had any occurrences.

PROBABLE VIOLATION: The City of Sylvania Gas System failed to validate their risk raking.

3) §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.

PHMSA Gas Distribution Integrity Management (DIMP) Inspection form – Question 8. 'Rank Risk – Implementation' states: Do records demonstrate implementation of the element "Evaluate and Rank Risk"?

COMMENTS: During this inspection, Staff found that Sylvania Gas System's annual 7100 reports show one corrosion leak in 2012 and one in 2022. The Operator informed Staff that they have no issues with internal corrosion, and no leaks caused by atmospheric corrosion; so, the two reported corrosion leaks would have been on cathodic protected, coated steel.

Sylvania Gas System's DIMP version 6.1; section 11.2 'List of Answers from SHRIMP™ Interviews' lists the interview responses and data sources entered during the threat assessments for each category for either a five- or ten-year period.

The chart for Cathodic Protected, Coated Steel was for 2016 – 2025 and showed a corrosion leak being repaired on a service in 2022.

The Operator informed Staff that they have not had leaks caused by cross bore occurrences. Sylvania Gas System's DIMP version 6.1, section 11.2 'List of Answers from SHRIMP™ Interviews' Other Threats (Cross Bores) does not indicate any leaks.

Based on their records and knowledge of the system, Sylvania Gas System failed to demonstrate that they evaluated and ranked risk in their DIMP version 6.1.

PROBABLE VIOLATION: Sylvania Gas System's records demonstrate that they failed to implement the element evaluate and rank risk.

4) §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 Gas Distribution Integrity Management (DIMP) Inspection form – Question 2. 'Periodic Evaluation – Implementation' states: Do records demonstrate implementation of the element "Periodic Evaluation and Improvement"?

COMMENTS: Staff reviewed the Operator's previous DIMP version 5.1.1 Chapter 3 'Knowledge of the Distribution System' which states; "This plan will be reviewed at least every 5 years to continually refine and improve this Plan." Chapter 8 'Periodic Evaluation and Improvement' states: Sylvania Gas System "will conduct a complete re-evaluation of this Plan at least every 5 years."

Staff confirmed that the Operator's current DIMP version 6.1 contains the same language for re-evaluation to be conducted every 5 years.

Sylvania Gas System's DIMP version 6.1 has an effective date of 01/01/2026. It replaced version 5.1.1 which had an effective date of 02/26/2019. This means the Operator failed to meet the 5-year requirement for a re-evaluation, exceeding it by 1-year and 11 months.

PROBABLE VIOLATION: Sylvania Gas System's records failed to demonstrate that they performed periodic evaluation and improvement of their plan 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: City of Sylvania

Informal Conference Requested: Yes ☐ No ☐

Docket Number: 37086

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 Sylvania Gas Department	)	**DOCKET NO. 37086**
	)	
	)	
	)	

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

*Stacy Mathis, City Manager
City of Sylvania Gas Department
104 South Main Street
Sylvania, GA 30467
csyv@planters.net

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

Respectfully Submitted this 3rd day of August 2026:

Cathy Nesbitt

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