2025 Alabama Pipeline Safety Program. State of the State

Presented by Jonathan M. Kimbril, Director, Gas Pipeline Safety

Staffing breakdown

- > Office Staff
 - Director Jonathan Kimbril
 - Administrative Assistant Felisa Webster
 - Administrative Assistant (New Hire Planned)
- > Training Coordinator & Construction Inspectors
 - Senior Training Coordinator Randall Hand
 - Construction Investigator James Morrow
 - Construction Investigator (New Hire Planned)

Staffing breakdown Continued

➢ Northern Section

- Senior Pipeline Safety Investigator Kevin Key (Acting Supervisor)
- Pipeline Safety Investigator Jeremy Humphries
- Engineer Graduate Preston Walls

Staffing breakdown Continued

> Central Section

- Supervisor Daniel Trapp
- Pipeline Safety Investigator Kris Taylor
- Pipeline Safety Investigator Will Harrison

Staffing breakdown Continued

> Southern Section

- Supervisor Pipeline Safety Investigator Shawn
 Emmons
- Senior Pipeline Safety Investigator Brett Cochran
- Pipeline Safety Investigator Kyle Childs

2025 Program – Key areas of Discussion

These Four areas going to be Presented and discussed.

- > PHMSA program findings.
- > Regulator station maintenance
- ➤ State rules possible changes
- > Items of Concern

PHMSA Audit of Gas Pipeline Safety

GPS is audited each year by PHMSA and has limited time to address findings, or funding will be reduced.

PHMSA findings are as follows:

- Violation procedures and processes must be updated
- Failure to meet required inspection days for construction
- Incident and accident inspection and close-out processes need improvement
- PHMSA recommended increasing staff in most areas.

Violation procedures and processes must be updated.

PHMSA Guidance

- Alabama has a written process for violations, but PHMSA stated it is not developed enough to adequately address Notices of Probable Violation (NOPVs) through completion.
- The main concern expressed by PHMSA is the process for when an operator does not take corrective action.

Violation procedures and processes must be updated.

Current Process:

- Inspector issues the NOPV while onsite based on information provided by the operator.
- NOPV reviewed by the office.
 - > Determination is made to proceed with a violation, remove it, or request additional information
- If the operator does not correct the violation, it will be re-issued with a 30-day time frame
- **Upon the third consecutive issuance,** the operator may be fined up to \$1,000 per violation. The operator may request a show-cause hearing.
- If the operator fails to correct the violation and pay the fine, they will be summoned for a show-cause hearing.

Violation procedures and processes must be updated.

Operator Response and Future Implications

Operators have flexibility in the violation process to:

- Disagree with violation and present their case
- Request a safety plan and more time to address the violation.
- Request an interpretation from PHMSA if they believe GPS applied the code incorrectly.

Important: Show-cause hearings allow operators to present their case and ask for reduced fines or removal of a violation.

Failure to meet the required inspection days for construction.

Require In Person Days

PHMSA now requires all State programs to use the State In-Person Calculation Tool (SICT). This tool records the time required for each operator and each asset type to be inspected annually.

This make us record what time frames are need for each operator and each asset by type to be inspected for each year.

Times have been updated to reflect historical data showing that inspections require more time. Historically, ~1,000 days were required. For 2026, the required days are projected to be ~1,400.

Failure to meet the required inspection days for construction.

PHMSA previously mandated that 20% must be added for construction inspections. This was added to total inperson days, so at a 1,000-day level, the requirement became 1,200 days. PHMSA has since stated that this should be proportioned to match operator size. This does not always work, as some operators are more active than others. Alabama has failed to meet construction inspection day requirements for the past several years.

Incident and accident process for inspection and close out.

- GPS must respond to all federal-level incidents when notified
- GPS will respond to all state-level incidents involving:
 - ✓ Major injuries
 - ✓ Large media presence
 - ✓ At the request of Commissioners

Regulator Stations – Maintenance

Regulator Stations:

- GPS sent out a form to capture information regarding regulator stations.
- The purpose is to determine how large a task it will be to bring these stations into compliance with current code standards.
- Information may be approximate estimates.

Regulator Stations – Maintenance

Regulator Stations:

Estimates should be supported with records such as cost projections when possible.

- Stations will not be required to exceed code. Items may be determined by the operator, including:
 - Signs, Fencing, Locks, Barriers.

Regulator Stations – Maintenance

Regulator Stations

• The Commissioner have stated they support extended time frames through safety plans.

Gas Pipeline Safety program rule changes.

- GPS is not currently considering rule changes, unless new safety concerns arise beyond current regulations.
- Operators may request a rule change. If a majority submit a formal proposal within a given year GPS will consider opening the rule for changes.

GPS has been informed and guidance requested concerning different matters.

• During an inspection, an investigator may request certain work or actions to be performed if they identify a potential safety concern. However, this does not apply during construction inspections when crews are not actively performing work. If no work is taking place at the time of inspection, an inspector cannot require crews to perform a task solely for demonstration purposes. We value everyone's time and ask that you consider ours, just as we consider yours.

• Inspectors are not permitted to recommend a sole provider for any service. However, they may offer a minimum of three reputable entities based on experience. These entities must be presented without ranking or preference. This ensures fairness and maintains the integrity of the inspection process.

• During an inspection, an investigator cannot provide specific verbiage for operators to use within their plans. Inspectors are solely responsible for determining whether an operator has met the minimum standards set forth by code. Providing language or guidance beyond this could create liability for both GPS and the inspector.

Gas Pipeline Safety conducts audits of **Annual Reports** submitted to our office. The findings have revealed several key issues:

- Reports are reviewed to ensure that main and service data remain consistent across all sections.
- In Part C (Leaks), the number of reported damages must be equal to or less than the total excavation damages recorded in Part D.
- Gas Unaccounted For (UAF):
 - If UAF exceeds 5% (loss or gain), operators may be contacted for clarification.
 - If gas loss exceeds **10%**, GPS may require a **complete leak survey**.
- Total Services Listed:
 - The number of services reported in the **Annual Report** is used for fee calculations in October.
 - **40% of distribution operators** failed to report the correct numbers, requiring follow-up to submit accurate figures.

Pipeline Safety program purpose.

Please if you have any questions or concerns about regulations, GPS Staff, or anything else reach out to me directly in the following way's

- Email: <u>Jonathan.Kimbril@psc.alabama.gov</u>
- Cell: (334) 850-0054
- Office: (334)242-5780

I understand that you may want to remain unnamed and in most instance this will be possible. GPS works for you and with you!

Questions?