



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue SE
Washington DC 20590

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Pipeline Safety

2020 Gas Base Grant Progress Report

for

PUBLIC UTILITIES COMMISSION NEVADA

Please follow the directions listed below:

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Electronic Submission Date: 3/5/2021 11:38:17 AM



Pipeline and Hazardous Materials Safety Administration
1200 New Jersey Avenue, SE
Washington DC 20590

OFFICE OF PIPELINE SAFETY
2020 Gas Base Grant Progress Report

Office: PUBLIC UTILITIES COMMISSION NEVADA

Neil Pascual

Authorized Signature

Neil Pascual

Printed Name

Inspector

Title

3/5/2021 11:38:17 AM

Date



PROGRESS REPORT ATTACHMENTS (GAS)

PHMSA Form No. PHMSA F 999-92

INSTRUCTIONS:

These attachments request information either for the entire calendar year (CY 2020: January 1 through December 31, 2020) or as of (or on) December 31, 2020. Please report actual as opposed to estimated numbers on the attachments. Be careful to provide complete and accurate information since the PHMSA State Programs will be validating the attachments during the state's next annual evaluation.

- **Attachment 1: State Jurisdiction and Agent Status Over Facilities.** Requires the state to indicate those pipeline operator types over which the state agency has jurisdiction under existing law. If the state does not have jurisdiction over an operator type, indicate why not in the column designated No, using the one alpha code (A or B) which best describes the reason. If the state agency has jurisdiction over an operator type, place an X in the column designated Yes and provide information on the number of operators, the number and percent of operators inspected, the number of inspection units, and the number and percent of inspection units inspected. If the jurisdiction over a type of operator is under a Section 60106 Agreement, indicate X/60106 in the column designated Yes. If an operator has multiple types of system (i.e. gas distribution and intrastate transmission), each type should be counted in corresponding category. Total operator count listed in Attachment 3 may not match Attachment 1 totals due to multiple types of systems per operator. If the same operator/inspection unit is visited more than once during the year, count only once under number of operators inspected/number of inspection units inspected on Attachment 1. The multiple visits would, however, be reflected under total inspection person-days in Attachment 2.
- **Attachment 2: Total State Field Inspection Activity.** Requires the state to indicate by operator type the number of inspection person-days spent during CY 2020 on inspections; standard comprehensive; design, testing, and construction; on-site operator training; integrity management; operator qualification; investigating incidents or accidents; damage prevention activities; and compliance follow-up. Attachment 2 should include drug and alcohol inspections. Counting "In Office" Inspection Time - An inspector may choose to review pipeline company procedure manuals or records away from the company facility in order to effectively use on-site inspection time. The amount of time spent reviewing procedures and records may be counted as part of the inspection process. It is important that an inspector only record time for activities that normally would be completed as part of an on-site inspection. For example, an inspector may attribute the three hours he or she spent reviewing a pipeline operator's procedure manual and records prior to an on-site inspection towards the total inspection time. Each supervisor must carefully review the reported time to ensure the time attributed is consistent with the activity completed and is carefully delineated from normal office duties.
- **Attachment 3: Facility Subject to State Safety Jurisdiction.** States should only list the facilities that are jurisdictional under Parts 192 and 193 (Gas) and Part 195 (Hazardous Liquid) of which the state has safety authority over. This attachment requires the business name and address of each person subject to the pipeline safety jurisdiction of the state agency as of December 31, 2020. Also indicate the operator type (e.g., intrastate transmission) consistent with the listing in Attachment 1 and include the number of inspection units in each operator's system. The operator identification number (OPID) assigned by PHMSA must also be included on this attachment. If an operator has multiple types of system (i.e. gas distribution and intrastate transmission), each type should be counted in corresponding category. Total operator count listed in Attachment 3 may not match Attachment 1 totals due to multiple types of systems per operator. Please make comments in notes section to provide any clarification on operator name changes, mergers, removals and other anomalies.



- **Attachment 4: Pipeline Incidents.** Requires a list of incidents investigated by or reported to the state agency that involved personal injury requiring hospitalization, a fatality, property damage exceeding \$50,000, and others deemed significant by the operator. Clearly identify the operator’s reported cause AND the state's determination of the cause of the incident using the one most appropriate alpha code footnoted in the attachment. We summarize this information for Congress by classifying the cause into one of eight top-level categories: (A) corrosion failure; (B) natural force damage; (C) excavation damage; (D) other outside force damage; (E) material failure of pipe or weld; (F) equipment failure; (G) incorrect operation; (H) other accident cause. Within each top-level cause you will find multiple sub-causes, select the appropriate cause code. You can also choose (IP) Investigation Pending for those incidents remaining under investigation as of December 31. Then provide a summary of incident investigations.
- **Attachment 5: State Compliance Actions.** This requires a summary of state pipeline inspection and compliance actions. [In the Number of Compliance Actions Taken column, keep in mind one compliance action can cover multiple probable violations.]
- **Attachment 6: State Record Maintenance and Reporting.** Requires a list of records and reports maintained and required by the state agency.
- **Attachment 7: State Employees Directly Involved in the Pipeline Safety Program.** This attachment requires a list by name and title of each employee directly involved in the pipeline safety program. Be sure to include the percentage of time each employee has been involved in the pipeline safety program during 2020. If an employee has not been in the pipeline safety program the full year of 2020, please note the number of months working on the program. Indicate a Qualification Category for each of the state's inspectors (see Attachment 7a). The categories are shown in descending order of education and experience. Please enter the number of the highest description applicable to each inspector. For each inspector and supervisor, indicate the month and year he/she successfully completed the training courses at the Pipeline Safety Office of Training and Qualifications in Oklahoma City, OK. Finally, provide in summary form the number of all staff (supervisors, inspectors/investigator, damage prevention/technical and clerical/administrative) working on the pipeline safety program and the person-years devoted to pipeline safety. Person-years should be reported in hundreds (e.g., 3.25).
- **Attachment 8: State Compliance with Federal Requirements.** This requires the state to indicate whether it is in compliance with applicable federal requirements. If a particular requirement is not applicable to the state (e.g. offshore inspections), indicate NA in the column designated Y/N/NA and indicate in the notes section why the regulation is not applicable. If a regulation has been adopted, indicate the date adopted (e.g., 05/01/04) in the appropriate column. If the regulation is applicable but has not been adopted indicate N in the Y/N/NA column and explain why not in the appropriate column (e.g., requires legislative action). If the state has not adopted the maximum penalty amounts for a related series of violations please indicate civil penalty levels in effect in the state as of December 31. For State Adoption of Part 198 State One Call Damage Prevention Program if a state has any penalty amount for its damage prevention law please mark item 7.h as “Adopted but Different Dollar Amounts” and list the penalty amount in the Note section. Note at the end of Attachment 8 we are requesting each state to indicate the frequency its legislature meets in general session. This information will be taken into account when determining if applicable federal regulations have been adopted within 24 months of the effective date or two general sessions of the state legislature.
- **Attachment 10: Performance and Damage Prevention Questions.** This attachment requires a narrative of each states goals and accomplishments. In addition it requires a narrative on each states progress toward meeting the nine elements of an effective damage prevention program as described in the PIPES Act of 2006.



DEFINITIONS

- **Inspection Unit.** An inspection unit is all or part of an operator's pipeline facilities that are under the control of an administrative unit that provides sufficient communication and controls to ensure uniform design, construction, operation, and maintenance procedures for the facilities. (See Glossary of Terms in Guidelines for States Participating in the Pipeline Safety Program for application of the inspection unit concept to transmission and hazardous liquid pipeline systems, distribution systems, liquefied gas systems, municipality, master meter system, regulated gathering pipeline systems, and propane-air systems/petroleum gas systems.)
- **Inspection Person-Day.** An inspection person-day is all or part of a day spent by a state agency representative including travel in an on-site examination or evaluation of an operator or his system to determine if the operator is in compliance with federal or state pipeline safety regulations, in an on-site investigation of a pipeline incident, or in job-site training of an operator. Time expended on such activities should be reported as one inspection person-day for each day devoted to safety issues, regardless of the number of operators visited during that day.
- **Probable Violation.** A probable violation is a non-compliance with any section or, where a section is divided into subsections (a), (b), (c), etc., any subsection of federal or state pipeline regulations. Each numbered section should be counted separately. Multiple non-compliances of a numbered section discovered on the same inspection should be counted as one probable violation with multiple pieces of evidence.
- **Compliance Action.** A compliance action is an action or series of sequential actions taken to enforce federal or state pipeline regulations. One compliance action can cover multiple probable violations. A compliance action may take the form of a letter warning of future penalties for continued violation, an administratively imposed monetary sanction or order directing compliance with the regulations, an order directing corrective action under hazardous conditions, a show-cause order, a criminal sanction, a court injunction, or a similar formal action.



Attachment 1 - Stats on Operators

STATE JURISDICTION AND AGENT STATUS OVER GAS FACILITIES AS OF DECEMBER 31, 2020

Operator Type	State Agency Jurisdiction/ Agent Status		No. of Operators	Operators Inspected		No. of Inspection Units	Units Inspected	
	No ¹	Yes		#	%		#	%
Distribution								
Private		X/60105	2	2	100.0%	3	3	100.0%
Municipal		X/60105	0	0	N/A	0	0	N/A
Master Meter		X/60105	1	1	100.0%	1	1	100.0%
LPG		X/60105	5	5	100.0%	12	12	100.0%
Other		X/60105	0	0	N/A	0	0	N/A
Transmission								
Intrastate		X/60105	6	6	100.0%	7	7	100.0%
Interstate	F		0	0	N/A	0	0	N/A
LNG								
Intrastate		X/60105	0	0	N/A	0	0	N/A
Interstate	F		0	0	N/A	0	0	N/A
Other								
Gathering Lines	A		0	0	N/A	0	0	N/A
Offshore Facilities	A		0	0	N/A	0	0	N/A
Total			14	14	100.0%	23	23	100.0%

¹Codes: A - None in state and does not have jurisdiction;

B - State does not have jurisdictional authority (Provide current status or action being taken to obtain authority in notes section below)

F - No, State is currently not an interstate agent.

X/60105P = Yes, I have Section 60105 (Certification) over some of the operator type (meaning: I have 60105 authority over some, but not all of this operator type and do not have a 60106 agreement with PHMSA to inspect them). These operators are identified in the notes below.

X/IA - Yes, I have Interstate Agent jurisdiction over this type of operator

Distribution "Other" - ie Co-ops, Public Utility Districts, etc.

States should explain any special circumstances

General Instructions - All above facilities should only include facilities as defined by federal pipeline regulations and should not include extended jurisdiction by state regulation.

Attachment 1 Notes:

Nevada's pipeline safety program (PSP) experienced some changes in 2020 regarding the number of jurisdictional

operators and inspection units being reported. Those changes are as follows:

1. In 2020, AmeriGas, OPID 32013, made piping modifications to six (6) jurisdictional LPG systems in Nevada, resulting in those systems no longer being 49 CFR 192 jurisdictional. These changes resulted in the number of AmeriGas LPG inspections units falling from eleven (11), as reported in the 2019 Progress Report, to the five (5) as outlined in this Progress Report. The six (6) AmeriGas changes occurred at: the Palace Restaurant system in Virginia City, NV, the Ponderosa Saloon system in Virginia City, NV, the Tahoe House Hotel system in Virginia City, NV, the PHA Hospital System in Schurz, NV, the Sterling Heights Apartment system in Hawthorne NV, and the Mount Grant Manor Apartment system in Hawthorne, NV. The system configurations were changed to either a single tank, single customer LPG systems, all electric systems, or to a system that involved less than 10 residential customers being served from a single LPG tank. Since AmeriGas operates all its LPG systems in Nevada under its corporate name and corporate OPID (#32013), this reduction in the LPG system inspection units did not impact the number of LPG operators listed for Nevada.

2. In 2020, TIMET, OPID 39236, permanently shut down their approximately 3000-foot chlorine gas transmission pipeline. TIMET, which used the chlorine gas to make titanium for use in airplanes faced unprecedented economic pressure following the COVID-19 pandemic and TIMET made the decision to permanently shut down its pipeline and manufacturing plant in June 2020. TIMET filed the NATIONAL REGISTRY NOTIFICATION Form B-20200814-24310 on August 14, 2020 outlining the "ceasing of operation" for the pipeline. As such TIMET is no longer being reported as a jurisdictional transmission operator and is no longer going to be inspected going forward.

Private Distribution - Nevada has 2 private LDC operators, those being Southwest Gas Corporation (SWG) and Sierra Pacific Power Company (d/b/a NV Energy). SWG is separated into two units, Southern Nevada Division (SND) and Northern Nevada Division (NND), which is how the three Inspection Unit figure outlined in the table above is derived.

Municipal Distribution - Nevada does not have any Municipal Distribution natural gas or LPG facilities.

Master Meter - In 2012, as part of Docket No. 12-06043, the PUCN approved a plan to have aging master meter systems located within the LDC's service territories replaced by new modern plastic pipeline systems owned and operated by the LDC. To-date approximately ten (10) of these such conversions have occurred. There is only one (1) remaining known master meter natural gas systems in Nevada, that being Docs Cottages. However, in 2018 Nevada's PSP performed a detailed investigation into the Docs Cottages system and no longer believes it qualifies as a jurisdictional master meter system. On September 19, 2018, Nevada PSP sent an interpretation letter to PHMSA asking PHMSA if it agreed with Nevada PSP's conclusion that Docs Cottages did not meet the definition of a master meter system as outlined in 49 CFR 191.3. Because a response to that interpretation letter was not received by the end of 2020, Nevada PSP is still listing Docs Cottages as a jurisdictional master meter system in this 2020 Progress Report. Based on communications with PHMSA, it does not appear that an interpretation will occur for this matter and Nevada will likely retain Docs Cottages as a master meter system.

LPG - AmeriGas performed conversion work on six (6) LPG systems making those systems no longer jurisdictional which reduced the number of jurisdictional LPG systems AmeriGas operates in Nevada from eleven (11) to five (5). Therefore, the current jurisdictional LPG operators (which makes up the 12 Inspection Units) in Nevada are as follows:

AmeriGas - 5 jurisdictional units; Western States Propane - 1 jurisdictional unit; Wendover Gas - 4 jurisdictional units (all located in the City of West Wendover, NV and these units are all inspected together at the same time); NV Energy - 1 jurisdictional system (operated as part of its LDC and inspected as part of the LDC); Mt. Charleston Cabins - 1 jurisdictional system.

The number of LPG operators and inspection units is likely to change from year to year going forward. As Nevada's PSP enforces the provision of 49 CFR 192 on these small systems, which typically have annual profit margins of \$1000 per year per system (or less), operators are likely to continue to convert the systems to non-jurisdictional systems as AmeriGas did in 2020 and as Suburban Propane did in 2016.

Transmission Intrastate - No new transmission operators were added in 2020 but as stated above TIMET, OPID 39236, permanently shut down their chlorine gas transmission pipeline and ceased being an operator in 2020. As such, there are

currently six (6) jurisdictional Transmission operators in Nevada and they are as follows:

Nevada Gold Mines - 2 jurisdictional units; Empire Mining - 1 jurisdictional unit; Ryze Renewables - 1 jurisdictional unit; Prospector Pipeline Company - 1 jurisdictional unit; Southwest Gas Corporation - 1 jurisdictional unit; Sierra Pacific Power Company d/b/a NV Energy - 1 jurisdictional unit

One of the existing intrastate transmission pipelines continued to be in idle status in 2020. The idle pipeline is the 36-mile Empire Mining Pipeline OPID 39536, (formerly owned by US Gypsum) which taps off of the interstate Tuscarora pipeline. The pipeline is currently physically disconnected from the Tuscarora pipeline and it is filled with a small amount of pressurized nitrogen. Depending on economic conditions it is unclear if this pipeline will ever be placed back in-service, but the operator, Empire Mining, currently plans to keep the pipeline viable in case their plans change.

Intrastate LNG - There are currently no Intrastate LNG facilities in Nevada, but Nevada has adopted 49 CFR 193, so the current understanding is that if an Intrastate LNG facility were to be constructed it would be state jurisdictional and would fall under the purview of the PUCN.



Attachment 2 - State Inspection Activity

TOTAL STATE FIELD INSPECTION ACTIVITY AS OF DECEMBER 31, 2020

Operator Type	Standard Comprehensive	Design, Testing and Construction	On-Site Operator Training	Integrity Management	Operator Qualification	Investigating Incidents or Accidents	Damage Prevention Activities	Compliance Follow-up	Total
Distribution									
Private	108.500	324.750	0.000	6.500	21.750	5.000	34.750	22.000	523.250
Municipal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Master Meter	1.500	0.000	0.000	0.000	0.250	0.000	0.000	1.750	3.500
LPG	24.250	0.500	1.500	7.750	5.250	0.000	0.000	9.250	48.500
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transmission									
Intrastate	36.500	1.000	0.000	37.500	5.500	0.000	0.000	0.000	80.500
Interstate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
LNG									
Intrastate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Interstate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other									
Gathering Lines	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Offshore Facilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total	170.750	326.250	1.500	51.750	32.750	5.000	34.750	33.000	655.750

Drug and Alcohol

Total Count of Drug and Alcohol Inspections

2

Attachment 2 Notes

The numbers above are based upon an inspection day being a full 8 hours. Multiple operator types are sometimes inspected in the same day therefore the time on those days must be allocated between the different operator types. Additionally, multiple inspection types are often performed on the same operator during multi-day inspections therefore the time has to be allocated to each inspection type being performed during these multi-day inspections (example: 4 hours OQ, 4 hours DIMP, 16 hours Standard). Adjustments are made for those inspections that are performed in excess of 8 hours in a single day in order to not overstate the figures for those

limited instances in which the inspector is in the field for greater than 8 hours in a single day.

Additionally, because Nevada PSP inspectors also perform One-Call inspections of excavators in the field (via a One-Call grant provided by PHMSA) to ensure that those excavators are complying with Nevada's One-Call Law (NRS 455) when excavating around underground natural gas facilities, these One-Call inspections must be tracked separately from the gas field inspections that are performed pursuant to 49 CFR 192 and 199. Nevada's PSP tracks these different inspections hours separately, so the numbers above do not include the 200 plus field inspection and enforcement activities relating to protecting natural gas facilities (including PHMSA jurisdictional pipelines) via Nevada's One-Call Law.

The strong number of field days in 2020 is mainly a result of Nevada's PSP being fully staffed and having qualified gas field personnel participating in inspection related activities. Nevada also had no employee turnover in 2020, representing the 5th year in a row with no turnover. Additionally, Nevada sent inspectors to only two T&Q classes in 2020 (because they are all fully trained), this allowed more field inspection work to occur. Because of COVID-19 issues, Nevada PSP focused on performing more outdoor field related inspection work (with minimal in office records review) in order to limit the risk of exposure, driving Nevada's construction inspection days (which usually represented approximately 40 percent of all field days) to closer to 50 percent in 2020. The strong inspection days were a result of:

Performing numerous field inspections of LDC and LPG Operator standard inspection work activities including:

- Leak survey work
- Valve maintenance work
- Numerous leak repairs
- Taking rectifier and pipe to soil reads
- Regulator maintenance
- Odorant reads
- Etc.

The strong construction inspection day figure is associated with the following

- Nevada being one of the fastest growing States and the significant new construction that is occurring statewide
- Southwest Gas replacing 50 plus miles of higher risk, more leak prone, PVC and Aldyl A pipelines in its Southern Nevada division
- Southwest Gas performing a large high school customer owned yard line replacement project
- Southwest Gas expanding its service territory to Mesquite, Nevada and Spring Creek, Nevada and all the construction activities associated with bringing natural gas to a new city/region

Nevada's PSP performed two (2) comprehensive form Drug and Alcohol ("D&A") inspections in 2020 on our two largest operators, Southwest Gas and NV Energy. Nevada PSP also performs smaller D&A inspection work including performing annual in-depth review of operator and contractor's compliance with the 50 percent random testing rate.

The LPG on-site operator training was associated with Staff assisting Mt Charleston Cabins (small LPG operator) with understanding the requirements of complying with 49 CFR 192 given the business was sold and the new management that was put in place.

The vast majority of the Incident Investigation inspection days were associated with the one Federal Reportable Incidents outlined in Attachment 4, but there were some smaller incidents that were investigated that turned out to be non-jurisdictional customer owned piping incidents.

Annual DIMP update meetings/reviews were performed on both large LDCs, Southwest Gas and NV Energy. Other DIMP audits were also performed on other small operators. Additionally, some DIMP field work was performed regarding inspecting formal DIMP mitigation programs.

A TRIMP field In-Line-Inspection ("ILI") was observed in 2020 on Nevada's second largest operator, NV Energy performing an assessment of its largest and longest transmission line. Some smaller External Corrosion Direct Assessment ("ECDA") and Dig and Inspect work was also performed adding to the strong TRIMP field number as well.

The continued decline in the number of master meter and small LPG operator inspection units has allowed for increased inspections of larger, higher consequence LDC and transmission operators, such as the strong construction inspections number outlined for 2020.



Attachment 3 - List of Operators

GAS FACILITIES SUBJECT TO STATE SAFETY JURISDICTION AS OF DECEMBER 31, 2020

Operator Business Name Operator ID Address	Distribution (Operator type & Inspection Units)					Transmission (Operator type & Inspection Units)		LNG(Operator type & Inspection Units)		Other (Operator type & Inspection Units)	
	Private	Municipal	Master Meter	LPG	Other	Intrastate	Interstate	Intrastate	Interstate	Gathering Lines (Jurisdictional)	Offshore Facilities (State Waters)
Amerigas Consolidated Systems 32013 460 N Gulph Rd, King of Prussia, PA 89415	0	0	0	5	0	0	0	0	0	0	0
Docs Cottages 37064 P.O. Box 3626, Stateline, NV 89449	0	0	1	0	0	0	0	0	0	0	0
Empire Mining Co, LLC 39536 Nevada Highway 447 - MP 68, Empire, NV 89405	0	0	0	0	0	1	0	0	0	0	0
Mount Charleston Resort Cabins 36756 5355 Kyle Canyon Road, Las Vegas, NV 89124	0	0	0	1	0	0	0	0	0	0	0
Nevada Gold Mines 30052 1655 Mountain City Highway, Elko, NV 89822	0	0	0	0	0	2	0	0	0	0	0
NV Energy (dba Sierra Pacific Power Company) 18308 6100 Neil Road, P.O. Box 10100 Reno, NV 89520	1	0	0	1	0	1	0	0	0	0	0
Prospector Pipeline Company 38923 2981 Gold Canal Drive, Rancho cordova, CA 95670	0	0	0	0	0	1	0	0	0	0	0
Ryze Renewables Reno, LLC 39590 14830 Kivett Lane, Reno, NV 89521	0	0	0	0	0	1	0	0	0	0	0

Southwest Gas Corporation 18536 5241 Spring Mountain Road, Las Vegas, NV 89150	2	0	0	0	0	1	0	0	0	0	0
Wendover Gas Company 31497 460 Mesa Street, Wendover, NV 89883	0	0	0	4	0	0	0	0	0	0	0
Western States Propane Company (dba Spring Creek Plaza) 36244 1207 Water Street, Elko, NV 89801	0	0	0	1	0	0	0	0	0	0	0



	Distribution (Operator type & Inspection Units)					Transmission (Operator type & Inspection Units)		LNG(Operator type & Inspection Units)		Other (Operator type & Inspection Units)	
	Private	Municipal	Master Meter	LPG	Other	Intrastate	Interstate	Intrastate	Interstate	Gathering Lines (Jurisdictional)	Offshore Facilities (State Waters)
Inspection Unit totals by type	3	0	1	12	0	7	0	0	0	0	0

Total Operators

11

Attachment 3 Notes:

The Operators listed above as well as the number of inspection units matches the number reported in Attachment 1 of this Progress Report, considering that NV Energy operates three types of systems (LPG, Transmission and LDC/Private) and Southwest Gas operates two types of systems (Transmission and LDC/Private).

AmeriGas reconfigured six (6) LPG systems making them non-jurisdictional (change from 11 units in 2019 to 5 in 2020).

In 2020, TIMET, OPID 39236, permanently shut down their approximately 3000-foot chlorine gas transmission pipeline. TIMET, which used the chlorine gas to make titanium for use in airplanes faced unprecedented economic pressure following the COVID-19 pandemic and TIMET made the decision to permanently shut down its pipeline and manufacturing plant in June 2020. TIMET filed the NATIONAL REGISTRY NOTIFICATION Form B-20200814-24310 on August 14, 2020 outlining the "ceasing of operation" for the pipeline.

One intrastate transmission pipeline continues to be in idle status in 2020. The 36-mile Empire Mining Pipeline OPID 39536, (formerly owned US Gypsum) which taps off of the interstate Tuscarora pipeline is currently physically disconnected from the Tuscarora pipeline and it is filled with a small amount of pressurized nitrogen. Depending on economic conditions it is unclear if this pipeline will ever be placed back in-service, but the operator, Empire Mining, currently wants to keep the pipeline viable just in case.

Attachment 4 - Incidents/Accidents

SIGNIFICANT⁴ GAS INCIDENTS/ACCIDENTS JANUARY 1, THROUGH DECEMBER 31, 2020

Date of Incident	Location - City/County/etc.	System Type	Injuries #	Fatalities #	Property Damage ³ \$	Operator Cause Code ¹	State Cause Code ¹
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06/24/2020	LAS VEGAS	GD	0	0	\$54,501.00	H2	IP
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Name of Operator: SOUTHWEST GAS CORP

Operator ID: 18536 Report No: 20200066

Summary²

Summary of Incident

Southwest Gas: 4337 Silver Dollar Avenue, Las Vegas, Nevada, June 24, 2020 Leak Incident.

On Wednesday June 24, 2020, at approximately 08:50 a contract leak surveyor working for Southwest Gas Corporation ("SWG") detected a natural gas leak near the foundation of an unoccupied service building (pool and laundry) at the apartment complex at 4337 Silver Dollar Avenue. The leak surveyor was performing a special annual polyvinyl chloride ("PVC") leak survey pursuant to SWG's distribution integrity management plan.

Upon discovering the leak, the leak surveyor discontinued the survey and contacted a supervisor for assistance. The Heath supervisor informed the leak surveyor to contact SWG. Upon contacting a SWG Lead Construction Specialist the SWG employee told the leak surveyor to contact SWG dispatch desk and to implement ICS. The leak surveyor remained on-site and secured the area.

When the SWG crew arrived on-site (9:35 AM) to assist the leak surveyor, the SWG crew also performed a leak survey of the area and the SWG crew confirmed reads of 4 LEL by the riser and zero gas inside the washer/dryer side of the building. The water heater side of the building was locked and was not accessible when SWG crew arrived. At approximately 9:47 AM a SWG employee rechecked the building and did not record any gas reads. The SWG employee also turned off the stop cock valve at the meter resulting in a single customer outage. Between 10:03 AM and 10:07 AM a SWG employee stated he noticed that the MSA sounded like it was still operating, he noticed some dust coming out of a bar hole and noises in the piping that sounded like water in the MSA. A SWG employee soaped the entire MSA and stated that bubbles were observed at the regulator vent. SWG employees/contractors on site started to smell gas odors and bar holed between Apartment Units 3 & 4. Odors were still present with zero reads. SWG crew stopped work and caution taped off an expanded safety perimeter. The SWG crew then decided to drop back from the riser and excavate and squeeze the service.

At 10:13 an ignition and explosion occurred within the service building. Part of the roof appears to have been pulled apart from the walls by the blast, as consistent with a gas explosion. The walls remain in place and the roof still sits upon them. No injuries or fatalities occurred as a result of the ignition/explosion. The SWG crew called 911.

At 13:11 the SWG crew began the process of pressure testing the service line at normal operating



pressure (39 PSI) and the service line failed the pressure test.

At approximately 13:20 SWG compliance supervisor Michael Ross notified the Regulatory Operations Staff ("Staff") of the Public Utilities Commission of Nevada ("PUCN") Engineering Manager, Paul Maguire of the Incident. PUCN Gas Pipeline Engineer Kelly Everson was dispatched. Kelly Everson arrived on-scene to investigate the Incident at approximately 13:53.

SWG reported the Incident to the National Response Center ("NRC") via report #1280311 at approximately 14:30 PM on June 24, 2020. The 48-hour follow-up NRC report was submitted on June 25, 2020, via report #1280402.

One Monday June 29, 2020, Kelly Everson and Senior Gas Pipeline Engineer Neil Pascual met a SWG crew at the site and observed the disconnected service line being excavated. During the excavation process an apparent leak was found at a failed solvent coupling at the service to riser connection directly adjacent to the foundation of the service building. The pipe and coupling were removed in preparation for lab analysis.

On July 1, 2020, Staff opened Special Investigation #55-2014 and issued over forty formal data requests to SWG.

On October 6, 2020, Staff issued an Issue of Concern Letter to SWG outlining that because SWG had not yet sent the pipe and coupling to a lab for analysis, Staff was concerned that SWG was not complying with the requirements of 49 CFR 192.617.

On November 6, 2020, SWG responded to Staff's letter stating that a third-party lab had been chosen and the pipe and coupling had been sent for analysis.

As of the time of submitting this Progress Report, SWG has not yet received the completed third-party lab analysis and Staff has not yet concluded its investigation. That is why the apparent cause of the Incident is currently listed as H2 with the Investigation Pending.

¹High Level Cause Codes: A - Corrosion failure; B - Natural Force Damage; C - Excavation Damage; D - Other Outside Force Damage; E - Pipe, Weld or Joint Failure; F - Equipment Failure; G - Incorrect Operation; H - Other Incident Cause; IP - Investigation Pending;

²Please include a summary or report of the state agency's investigation of each of the above incidents.

³Interstate agents should use the 191.3 Incident definition for listing incidents investigated on interstate facilities.

Attachment 4 Notes

Attachment 5 - Stats on Compliance Actions

STATE COMPLIANCE ACTIONS -- CALENDAR YEAR (CY) 2020

Probable Violation Categories	Intrastate	Interstate
Number carried over from all previous CY's	20	0
Number Found During CY	9	0
Number submitted for DOT action [60106 Agreement agent only]	0	0
Number corrected during CY (including carry over from previous year(s))	27	0
Number to be corrected at end of CY (including carry over)	2	0

Number of Compliance Actions Taken ¹
 (see definition) 27

Civil Penalties

Number assessed during CY	2
Dollars assessed during CY	\$60,000.00
Number collected during CY	2
Dollars collected during CY	\$60,000.00

¹**Do not double count for a related series of actions.**

Attachment 5 Notes

The \$60,000 in civil penalties issued in 2020 is comprised of two (2) different proceedings. The following is a summary of those two (2) civil penalty cases:

#1 - A civil penalty totaling \$10,000 was assessed against Nevada Gold Mines ("NGM"), OPID 30052. On February 25, 2020, Staff performed a regulator station inspection on NGM's Twin Creeks Pipeline. During that inspection Staff identified that an additional valve, pipe and flanges had been installed on the regulator station. When Staff requested information regarding the piping modifications, Staff identified that the welder qualification records, and the welding procedures provided by NGM were not consistent with NGM's Operations Manual. Staff outlined that this was the third time in the past 10 years (see Docket No. 12-10028) in which Staff had discovered NGM performing repairs/modifications on its pipelines inconsistent with the Pipeline Safety Regulations and without proper documentation. After some negotiations, on July 30, 2020, Staff and NGM reached a settlement agreement and filed a Stipulation outlining a \$10,000 civil penalty as well as other required procedure updates/compliance actions. The Stipulation was designated Docket No. 20-07034. On September 25, 2020, the PUCN accepted the Stipulation. The civil penalty payment amount of \$10,000 was paid by NGM on October 12, 2020.

#2 - A civil penalty totaling \$50,000 was assessed against NV Energy, OPID 18308. On August 26, 2019,

NV Energy ("NVE") experienced a Federal Reportable Incident at 2879 Barong Court, Reno, Nevada. The owner of this property struck the service riser with a recreational vehicle (RV) and caused an uncontrolled release of gas below the stop cock valve. Based upon Staff's investigation into the Incident, Staff identified four (4) Probable Violations ("PV") and one (1) Issue of Concern ("IOC") pertaining to the meter location and NV Energy's emergency response. After several months of negotiations, on August 6, 2020, Staff and NV Energy reached a settlement agreement and filed a Stipulation outlining a \$50,000 civil penalty as well as other required procedure updates/compliance actions. The Stipulation was designated as Docket No. 20-07034. On October 12, 2020, the PUCN accepted the Stipulation. The civil penalty payment amount of \$50,000 was paid by NV Energy on November 11, 2020.

Nevada's PSP and the PUCN also assessed \$94,000 (16 different cases) in civil penalties to excavators/operators for violations of Nevada's One-Call Law (NRS 455). Because these violations were not associated with 49 CFR 192, they have not been included in the civil penalty figures above. However, Nevada's PSP believes it is important to inform PHMSA of these penalties given that PHMSA is evaluating States as to whether they have an effective One-Call Law/Enforcement.



Attachment 6 - List of Records Kept

GAS STATE RECORD MAINTENANCE AND REPORTING DURING CY 2020

Records Maintained by the State Agency

Records of inspections, probable violations, follow-up actions and enforcement activities.
Records of expenditures for the Gas Pipeline Safety Program.
Letters, directives, correspondence, certification, authorizations, etc.
Requested Interpretation Requests and Waiver Request Information.
Some NTSB reports and various AID safety releases.
Guidelines for States participating in the Gas Pipeline Safety Program.
Pipeline Safety Regulations (49 CFR Parts 191, 192, 193 and 199) including amendments.
Information related to T&Q training.
Records and correspondence from PHMSA program evaluations.
NAPSR correspondence and NAPSR survey responses
Incident Reports and Investigation Documentation.
Probable Violation Log.
One-Call Enforcement Log.
Pipeline Safety Manual / Procedures
Records for Pipeline Safety personnel Activity Tracking

Reports Required from Operators

Incident reports.
Annual reports.
Annual Results of Drug and Alcohol testing for applicable operators.
Operations Manuals.
LDC quarterly/yearly damage cause data.
Notification emails on excavation damages from larger operators.
Some misc. audit related documents, such as leak trend analyses, ILI Reports, ECDA Reports, etc.
Annual odor call and leak call emergency response times

Attachment 6 Notes

Attachment 7 - Staffing and TQ Training

STATE EMPLOYEES DIRECTLY INVOLVED IN THE GAS PIPELINE SAFETY PROGRAM DURING CY 2020

Name/Title	% Time	# Months	Qual. Cat.
Supervisor			
Maguire, Paul Manager Engineering	18.400	12	II
Pascual, Neil Senior Gas Pipeline Engineer	49.300	12	II
Inspector/Investigator			
Adelere Adesina Gas Pipeline Engineer	97.500	12	I
Kelly Everson Gas Pipeline Engineer	96.100	12	II
Kenneth Saarem Gas Pipeline Engineer	96.800	12	I
Mike Evans Gas Pipeline Engineer	98.500	12	II
Neil Pascual Senior Gas Pipeline Engineer	49.300	12	II
Paul Maguire Manager Engineering	27.600	12	II
Rogers, Craig Gas Pipeline Engineer	58.900	12	II
Clerical and Administrative Support			
Cyndi Martin Administrative Assistant, Carson City	31.200	12	IV



Summary

<u>Employee Type</u>	<u>No. of Staff</u>	<u>Person-Years</u>
Supervisor	2	0.680
Damage Prevention/Technical	0	0.000
Inspectors/Investigators	7	5.250
Clerical/Administrative	1	0.310
Total	10	6.240

Attachment 7 Notes

The number of Nevada PSP inspectors was stable and fully staffed in 2020, with no employee turnover and no new hires. This was the fifth year in a row that the Nevada PSP had no employee turnover.

The Senior Gas Pipeline Engineer position is a half-inspector/half-supervisor position which is why Neil's position is broken up as 50 percent Supervisor and 50 percent Inspector. 98.7% of his time was split between the two positions with the remaining 1.3% spent on State One-Call inspections and enforcement issues which is not allocated against the Base Grant, but instead is charged against Nevada's One Call Grant or paid for by the State itself.

Engineering Manager, Paul Maguire, has all core T&Q classes, including the OQ class, and is fully qualified to lead standard, construction and OQ inspections. As such, it is estimated that Paul Maguire will perform roughly 25 to 40 inspection days per year, which equates to 15 to 20 percent of the time he spends on pipeline safety activities. The other time Mr. Maguire spends is supervisory in nature, including being on the NARUC pipeline safety Staff subcommittee and attending NAPSR regional meetings.

The other Inspectors listed above also perform One-Call inspections and enforcement of Nevada's Call Before Your Dig Law ("NRS 455") and that is why each of those Inspector's time is less than 100 percent. The time spent inspecting and enforcing NRS 455 are tracked separately and those costs are not included in the Base Grant.

In 2016, Engineering Manager, Paul Maguire was required to step-in as temporary Pipeline Safety Program Manager (for a 4 month period) until a new Senior Gas Pipeline Engineer could be named, which is why Paul Maguire's time in 2016 was in 60 percent range. This normalized in 2017, 2018, 2019 and again in 2020 and Mr. Maguire's time is back in the 40% to 50% range.

All of the Nevada PSP Inspectors have completed their core classes and all the IMP classes. Nevada PSP has only two (2) scheduled enrollments for 2021 those being a Root Cause class and a DIMP class. Five (5) of Nevada's six (6) inspectors currently have the Root Cause class, which includes inspectors located in both Northern and Southern Nevada.

Attachment 8 - Compliance with Federal Regulations

STATE COMPLIANCE WITH FEDERAL REQUIREMENTS AS OF DECEMBER 31, 2020

No.	Effective Date	Impact	Adoption Date	AdoptionStatus	
1		<p>Maximum Penalties Substantially same as DOT (\$222,504/\$2,225,034). State must adopt minimum penalties of at least (\$100,000/\$1,000,000). Indicate actual amount in notes.</p> <p>The PUCN's regulations (NAC 704.460) automatically adopts the latest Federal Pipeline Safety Regulations contained in 49 CFR 191, 192, 193 and 199.</p> <p>Note¹ The PUCN was successful in getting Senate Bill 86 passed during the 2015 Nevada Legislative Session, which increased Nevada's pipeline safety civil penalty authority amount to the then Federal civil penalty standard of \$200,000 per day per violation to a maximum of \$2 million. The PUCN is not currently pursuing new legislation to adopt the new Federal inflation adjusted civil penalty amount. The PUCN needs to study the inflation adjustment language more closely as it could be problematic to adjust the civil penalty authority amount every year.</p>	05/2015	Adopted (\$200,000/\$2,000,000)	
2		Part 192 Amendments			
	1-115	Pre 2011	[All applicable amendments prior to and including 2010]	12/31/2010	Adopted
	Note ¹	Adoption of all amendments prior to 2011			
	116 - 76 FR 5494	4/4/2011	Mechanical Fitting Failure Reporting Requirements	04/2011	Adopted
	Note ¹				
	117-76 FR 35130	8/15/2011	Control Room Management/Human Factors	08/2011	Adopted
	Note ¹				
	118 - 78 FR 58897	10/25/2013	Administrative Procedures, Updates, and Technical Corrections (Not applicable to States)	09/2013	Adopted
	Note ¹				

119 - 80 FR 168	3/6/2015	Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Edits	03/2015	Adopted
Note ¹				
120 - 80 FR 12779	10/1/2015	Miscellaneous Changes to Pipeline Safety Regulations (Part 192.305 DELAYED)	10/2015	Adopted
Note ¹				
121 - 81 FR 70989	4/14/2017	Expanding the Use of Excess Flow Valves in Gas Distribution Systems to Applications Other Than Single-Family Residences	4/2017	Adopted
Note ¹				
122 - 81 FR 91860	1/18/2017	Safety of Underground Natural Gas Storage Facilities	1/18/2017	Not Adopted
Note ¹				
123 - 82 FR 7972	3/24/2017	Operator Qualification, Cost Recovery, Accident and Incident Notification, and Other Pipeline Safety Changes	3/2017	Adopted
Note ¹				
124 - 83 FR 58694	1/22/2019	Use of Plastic Piping Systems in the Transportation of Natural and Other Gas	1/22/2019	Adopted
Note ¹	new amendment for 2019			
125 - 84 FR 52180	7/1/2020	Pipeline Safety: Safety of Gas Transmission Pipelines: MAOP Reconfirmation, Expansion of Assessment Requirements, and Other Related Amendments	7/1/2020	Adopted
Note ¹	Pursuant to NAC 704.460, this regulation was automatically adopted			
3	Part 193 Amendments (applicable only where state has jurisdiction over LNG)			
1-23	Pre 2011	[All applicable amendments prior to and including 2010]	12/31/2010	Adopted
Note ¹	Adoption of all amendments prior to 2011			
24 - 78 FR 58897	10/25/2013	Administrative Procedures, Updates, and Technical Corrections	09/2013	Adopted
Note ¹				
25 - 80 FR 168	3/6/2015	Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Edits	03/2015	Adopted
Note ¹				

4	Part 199 - Drug Testing		04/2000	Adopted
Note ¹				
5	Part 199 Amendments			
1-24	Pre 2011 [All applicable amendments prior to and including 2010]		12/31/2010	Adopted
Note ¹	Adoption of all amendments prior to 2011			
25 - 78 FR 58897	10/25/2013 Administrative Procedures, Updates, and Technical Corrections		09/2013	Adopted
Note ¹				
26 - 80 FR 168	3/6/2015 Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Edits		03/2015	Adopted
Note ¹				
27 - 82 FR 7972	3/24/2017 Operator Qualification, Cost Recovery, Accident and Incident Notification, and Other Pipeline Safety Changes		3/2017	Adopted
Note ¹				
28 - 84 FR 16770	4/23/2019 Conforming Amendments and Technical Corrections to Department Rules Implementing the Transportation Industry Drug Testing Program		04/23/2019	Adopted
Note ¹				
6	State Adoption of Part 198 State One-Call Damage Prevention Program			
a.	Mandatory coverage of areas having pipeline facilities		07/1987	Adopted
Note ¹				
b.	Qualification for operation of one-call system		07/1987	Adopted
Note ¹				
c.	Mandatory excavator notification of one-call center		07/1987	Adopted
Note ¹				
d.	State determination whether calls to center are toll free		07/1987	Adopted
Note ¹				
e.	Mandatory intrastate pipeline operator participation		07/1987	Adopted
Note ¹				

f. Note ¹	Mandatory operator response to notification	07/1987	Adopted
g. Note ¹	Mandatory notification of excavators/public	07/1987	Adopted
h. Note ¹	Civil penalties/injunctive relief substantially same as DOT Civil penalty amounts were increased in 2015 as part of Senate Bill 86.	10/1991	Adopted

'If Adoption Status is No, Please provide an explanation

State Attendance at 2020 NAPS Regional Meeting: Attended full time (Lead rep or alternative pipeline staff)
 Frequency of General Legislative Session: Biennially

Attachment 8 Notes

The PUCN is pursuing new legislation (during the current 2021 session) to have the blanket exemption for natural gas utilities from having to have professional engineers review and stamp natural gas projects removed. This proposed legislation change is a result of the NTSB recommendations that came out of the 2018 Merrimack Valley, MA, pipeline safety incident and report.

We regularly attend the NAPS Regional Meetings, however there was no meeting in 2020 due to COVID-19 restrictions in various Western Region States, including the host state of Montana. The meeting was technically postponed to 2021 with the Montana Chair keeping the position for an additional year. However, due to extended COVID-19 restrictions, Montana plans to hold this meeting in a virtual format.

We also regularly attend the NAPS National meetings and attended the Alabama hosted National Meeting virtually in 2020 as this was the available meeting format.

Attachment 10 - Performance and Damage Prevention Questions

CALENDAR YEAR (CY) 2020

Planned Performance: What are your Planned Annual and Long-term goals for your Pipeline Safety Program?

2021 Nevada pipeline Safety Goals

1. With the majority of Master Meter Mobile Home Parks replaced by the LDC and Nevada being one of the fastest growing states in the Nation; the Nevada Pipeline Safety Program ("PSP") will continue to focus on construction inspections.
2. The largest LDC in Nevada, Southwest Gas Corporation is currently in the process of expanding their service territories into the City of Mesquite, Nevada and Spring Creek, Nevada. The Nevada PSP plans to spend time inspecting this new construction and expansion work.
3. One of Nevada's largest transmission operators, Prospector Pipeline, is planning a 20 plus mile extension of its current 12-inch transmission line to help convert an existing coal plant to natural gas. Construction on this pipeline is anticipated to start in the fall-2021 and Staff plans to perform multiple inspections on this pipeline extension.
4. There are various initiatives to replace early vintage plastic and steel pipelines in Nevada's system and the Nevada PSP will continue to focus on these types of construction inspections.
5. Nevada's second largest operator, NV Energy, is scheduled to perform dig and inspection work on its two transmission lines based upon ILI inspections performed in late 2019 and early 2020. Nevada PSP plans to have multiple personnel inspecting this work.
6. Staff development is a key element to the Nevada PSP. As such, various inspectors will have the opportunity to lead LDC, LPG and transmission company audits in 2021.
7. The rapid growth in Nevada brings upon challenges of new excavation contractors, who have new and less experience employees with existing contractors as well as rush projects. As such, the Nevada PSP will strive to keep pipeline damages low. Some activities to accomplish this goal are random one-call inspections, excavator training, penalties and fines, and post-damage on-scene inspections.
8. Nevada PSP plans to continue to perform focused quarterly audits of its two largest LDC operators, Southwest Gas and NV Energy. These focused audits have led to Nevada PSP having a much deeper understanding of the LDC's operations and has allowed for the identification of more issues and violations.
9. Nevada PSP plans to work on keeping its high ranking in the Pipeline Safety Trust "Transparency of Pipeline Safety" survey.
10. Nevada PSP plans to have the rulemaking it started in 2019, which would require all pipelines regardless of type, location and vintage, leak surveyed on an annual basis completed. Based upon the current regulation, if approved, the first year in which every natural gas or LPG pipe in Nevada would have to be leak surveyed on annual basis is 2023.
11. Nevada PSP has helped sponsor legislation (during the current 2021 Nevada legislative session) to have the blanket exemption professional engineers review for natural gas utilities from having and stamp natural gas projects. This proposed legislation is a result of the NTSB recommendations that came out of the 2018 Merrimack Valley, MA, pipeline safety incident and report.

One Call Focused Planned Performance:

Nevada plans to continue its assertive stance on Damage Prevention. We receive gas pipeline damage notifications typically within thirty minutes of their occurrence and make efforts to investigate up to half of these damages in person. Additionally, all damages are scrutinized by a review of the Operator's paperwork, which often includes a review of the contract line-locator's documentation as well as the excavator's information.

Our goal to keep damages low (based on the Damages per 1000 tickets metric) includes appropriate fines and warnings to both the

excavator and operator as applicable. We also plan to maintain our working relationship with the Nevada Regional Common Ground Alliance (NRCGA) in training excavators that have violated the Nevada One-Call laws. Due to COVID-19 restrictions, in-person Damage Prevention training was not conducted in 2020 and not conducted so-far in the first part of 2021. Though there have been virtual classes, they are no substitution for the impact received from the in-person classes and we hope these will resume by the middle of the year.

Past Performance: What did the Pipeline Safety Program accomplish during the subject year (to this document) to contribute toward the program's annual and long-term goals?

1. The final master meter mobile home park was replaced by the LDC in late 2018. This leaves only one known master meter in Nevada (a small hotel in the Lake Tahoe area). This reduction in master meter operators has allowed more resources to be dedicated to inspecting larger, higher risk operators.
2. Nevada PSP has worked with its largest LPG operator, AmeriGas, to continually reduce the number of jurisdictional small LPG systems. This reduction in the number of LPG inspection units has allowed more resources to be dedicated to inspecting larger, higher risk operators.
3. Nevada PSP performed inspections of its two largest operators, NV Energy and Southwest Gas, TRIMP work. These inspections have allowed Nevada PSP inspectors to utilize the TRIMP and ILI training they received from the T&Q classes. Since Nevada is a smaller State and does not have ILI work occurring every year, it is very important for the Nevada PSP to inspect this work when it is occurring.
4. Because of the COVID-19 pandemic, Nevada PSP took the opportunity (in 2020) to perform virtual procedures inspections of its three largest operators (NV Energy, Southwest Gas, Wendover Gas). With these procedures audits completed the plan is to perform more records related inspections in the coming years anticipating that in-office records reviews can once again take place.
5. Even with the accelerated growth in Nevada and record excavation work, we were still successful in driving down the State's Pipeline Damage Rate (to 2.19 damages per 1000 tickets) through inspections, education/training and enforcement. Though the amount of one-call tickets remained high (2nd highest in last decade), Nevada had its lowest ever natural gas damage rate and issued its highest amount of one-call civil penalties.
6. Nevada ranked tied for the #1 spot in the 2020 Pipeline Safety Trust "Transparency of Pipeline Safety" survey.
7. The Nevada PSP experienced its fifth consecutive year of no employee turnover, this lack of turnover has resulted in the Nevada PSP having highly trained inspectors.
8. The Nevada PSP issued civil penalties in 2020, making this the tenth consecutive year in which some level of civil penalty was issued to operators for non-compliance with the pipeline safety regulations.

One Call Focused Past Performance

2020 did not see a decline in one-call tickets. In fact, it was the second highest amount of one-call tickets in the last decade. Nevada's Pipeline Safety program remained attentive to its damage prevention efforts and the metric of 2.19 gas damages per 1000 tickets represents our lowest amount of damages per 1000 tickets since this metric tracking initiated in 2000.

1. Has the state or agency reviewed the Damage Prevention Assistance Program (DPAP) document in the last twelve months?

Yes

2. Has the state or agency developed or is in the process of developing a plan to address the nine elements contained in the PIPES Act of 2006 for an effective State Damage Prevention Program?

Yes

If yes to question 2, where does the state or agency stand on implementation of the nine elements contained in the PIPES Act of 2006? Please provide a description of how the state or agency has or will meet each element. If not, please provide a brief passage explaining the reasons why the state or agency has not.

All 9 Elements have been implemented by Nevada. The majority of the Elements have been implemented though the Nevada Regional Common Ground Alliance ("NRCGA"). Implementation of Elements 6 and 7 (Enforcement) is primarily a function of the

Attachment 10 Notes

Element (1), Enhanced Communications between operators and excavators.

Nevada's One-Call Center, USA North ("USAN"), is a member of the NRCGA and participates in the monthly NRCGA meetings. These meetings and USAN's participation gives all stakeholders (operators and excavators) the opportunity to discuss the operations of the One-Call Center. The PUCN is working on legislation to use Positive Response, where each ticket has a current status that can be reviewed by the excavators, operators, locators and the PUCN.

Element (2), Fostering Support and partnership of all stakeholders.

This has been accomplished through the participation of operators, excavators, USAN, and the PUCN pipeline safety program Staff during the monthly NRCGA meetings. At least one member of the PUCN's pipeline safety group typically attends the monthly NRCGA meetings which are video linked to both Reno and Las Vegas. These meetings were suspended for several months because of COVID-19 and have resumed as virtual meetings for the time being.

Element (3), Operator use of performance measures for locators.

The two local distribution companies ("LDCs") Southwest Gas and NV Energy have Quality Assurance/Quality Control ("QA/QC") measures for locators and use the QA/QC measures to drive improvements. Additionally, both operators track the cause of each damage, including miss-marks and report that data on an annual basis to the CGA DIRT database. These damage numbers are reviewed at least quarterly/yearly, in order to track the locating company's performance.

Element (4), Stakeholder partnership in employee training.

Excavator training has been developed and implemented through the NRCGA with the assistance of the PUCN pipeline safety group and LDC operators. Training sessions are held on a regular basis, and on-site training sessions are available and are often put on at excavating company offices in order to allow for more training and easier access. In person training was really hampered because of COVID-19 and it is hoped that in-person training can once again begin in 2021.

Element (5), Partnership in Public Education.

The NRCGA has increased its membership dues in order to raise additional funds for a Public Education Program. The PUCN is a paying member of the NRCGA. The NRCGA has a Public Outreach Sub-Committee, of which the PUCN Staff also participates. 811 Banners have been purchased and distributed to equipment rental yards and Home Shows are attended where 811 Call-Before-You-Dig information is handed out. Kinder Morgan has also painted a very large 811 logo on one of its white holding tanks in Reno that is visible from Interstate-80. The PUCN Staff, via its Public Outreach Director, regularly attends Home/Trade Shows both in Northern and Southern Nevada distributing literature regarding safe digging practices and the use of 811. The goal of these efforts is to increase public awareness and education of the 811 program. Additionally, the NRCGA placed numerous educational booths at local events (such as contractor and builder gold tournaments) in order to promote safe digging practices and the use of 811.

Element (6), Enforcement agencies role to help resolve issues.

The PUCN has authority to enforce Nevada's One-Call Law (NRS 455). Verbal warnings are given in the field for minor violations that are discovered. If the verbal warnings are not effective and repeat violations are observed, a formal written Warning Letter is sent from the PUCN Staff Legal Counsel to the violating operator/excavator. If further violations are found after a Warning Letter has been issued or if egregious acts are discovered, the PUCN Staff can file a Formal Complaint Petition with the PUCN requesting civil penalties be assessed against those operators/excavators who continually violate and/or egregiously violate NRS 455.

Element (7), Fair and consistent enforcement of the law.

Nevada's One-Call Statute, NRS 455 was revised during the 2007 legislative session to include Enforcement by the PUCN Staff. Since that time the PUCN Staff, with the help of its Staff Counsel Division, has developed procedures for enforcing NRS 455. Additionally, in 2015 the civil penalty amounts outlined in NRS 455 were increased from \$1000 per day per violation to \$2,500 per day per violation. Also, there is now a provision in the law that allows the civil penalty amount to be tripled if the violation involves high consequence facilities, such as pipelines operating above 90 PSI. In 2020, the PUCN

assessed \$94,000 in One-Call civil penalties representing sixteen civil penalty cases. This level of penalties has helped lower the number of damages per 1000 tickets. The PUCN also issued ten written warning letters and issued approximately 248 verbal field warnings. Civil penalties have been assessed to both contractor (excavators) and facility operators ensuring that they are both accountable for their role in damage prevention.

Element (8), Use of Technology to improve the locating process.

USA North is working with the NRCGA on an app for ticket management for contractors to provide information whether a request is valid, expired or in process. This will especially be helpful for contractors with managing multiple dig tickets. There is also a drive to promote on-line ticket processing to reduce call wait time. Currently, Nevada is working on adding Positive Response notifications to one-call tickets; enabling excavators, operators and regulators to track a one-call ticket's status from beginning to completion

Element (9), Data analysis to continually improve program effectiveness.

The primary measure of program effectiveness is the number of dig-ins by year and the number of damages per 1000 tickets. Nevada has been tracking this data since 2000. 2020 did not see a decline in one-call tickets. In fact, it was the second highest amount of one-call tickets in the last decade. Nevada's Pipeline Safety program remained attentive to its damage prevention efforts and achieved our lowest amount of damages per 1000 tickets since this metric was tracked in 2000.

