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of Transportation  
**Pipeline and Hazardous  
Materials Safety  
Administration**

1200 New Jersey Avenue SE  
Washington DC 20590

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# Pipeline Safety

## 2022 Gas Base Grant Progress Report

for

PUBLIC UTILITIES COMMISSION NEVADA

**Please follow the directions listed below :**

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Electronic Submission Date: 3/7/2023 2:08:56 PM



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

OFFICE OF PIPELINE SAFETY  
2022 Gas Base Grant Progress Report

Office: PUBLIC UTILITIES COMMISSION NEVADA

Neil Pascual

Authorized Signature

Neil Pascual

Printed Name

Inspector

Title

3/7/2023 2:08:56 PM

Date



## **PROGRESS REPORT ATTACHMENTS (GAS )**

**PHMSA Form No. PHMSA F 999-92**

**Attachment 1: State Jurisdiction and Agent Status over Facilities.**

**Attachment 2: State Field Inspection Activity**

**Attachment 3: Facilities Subject to State Safety Jurisdiction**

**Attachment 4: Pipeline Incidents**

**Attachment 5: State Compliance Actions**

**Attachment 6: State Record Maintenance and Reporting**

**Attachment 7: State Employees Directly Involved in the Pipeline Safety Program**

**Attachment 8: State Compliance with Federal Regulations**

*{there is no attachment 9}*

**Attachment 10: Performance and Damage Prevention Questions**



## Attachment 1 - Stats on Operators

### STATE JURISDICTION AND AGENT STATUS OVER GAS FACILITIES AS OF DECEMBER 31, 2022

Operator Type	State Agency Jurisdiction/ Agent Status		No. of Operators	Operators Inspected		No. of Inspection Units	Units Inspected	
	No <sup>1</sup>	Yes		#	%		#	%
<b>Distribution</b>								
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	4	4	100.0%	9	9	100.0%
Other		X/60105	0	0	N/A	0	0	N/A
<b>Transmission</b>								
Intrastate		X/60105	6	6	100.0%	7	7	100.0%
Interstate	F		0	0	N/A	0	0	N/A
<b>LNG</b>								
Intrastate		X/60105	0	0	N/A	0	0	N/A
Interstate	F		0	0	N/A	0	0	N/A
<b>Other</b>								
Gathering Lines	A		0	0	N/A	0	0	N/A
Offshore Facilities	A		0	0	N/A	0	0	N/A
<b>Total</b>			<b>13</b>	<b>13</b>	<b>100.0%</b>	<b>20</b>	<b>20</b>	<b>100.0%</b>

<sup>1</sup>Codes: 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 2022 regarding the number of jurisdictional

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

1. In 2022, AmeriGas, OPID 32013, made piping modifications to one (1) additional jurisdictional LPG system in Nevada (The Sierra Vista Apartment Complex in Tonopah, NV) resulting in that system no longer being 49 CFR 192 jurisdictional. The system is now configured such that no one LPG tank serves more than 9 apartment units. This change resulted in the number of AmeriGas LPG inspection units falling from four (4), as reported in the 2021 Progress Report, to the three (3) outlined in this Progress Report. Since AmeriGas operates all of 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 2022, Western States Propane, OPID 36244, had all but one of its customers switch to natural gas service due to the Southwest Gas LDC expansion in Spring Creek, NV. With these customers switching to natural gas service, as of the end of 2022, Western States was only serving one (1) customer at the Spring Creek, NV, Plaza location. Since that one remaining customer was served from a single LPG tank, the single tank, single customer configuration meant that Western States Propane was no longer operating a 49 CFR 192 jurisdictional system. Given the lack of sophistication with this small operator, Nevada PSP Staff is working with the PHMSA IT Department and the Operator to file the NATIONAL REGISTRY NOTIFICATION Form B-20200814-24310 on the Operator's behalf to outline that Western States is "ceasing operation" of its Spring Creek Plaza jurisdictional LPG system. The conversion of the Western States Propane system is why Nevada is showing one (1) less operator in 2022 when compared to the 2021 Progress Report.

#### Private Distribution

Nevada has 2 private LDC operators, they are Southwest Gas Corporation (SWG) and Sierra Pacific Power Company (d/b/a NV Energy). SWG is split into two units, Southern Nevada Division (SND) and Northern Nevada Division (NND). These comprise the three Inspection Unit figure outlined in the table above.

#### 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, which is Docs Cottages. It is a small motel system that is well maintained. We have not had any major issues with this master meter and do not currently have plans to have it converted by the LDC.

#### LPG

AmeriGas performed conversion work on one (1) LPG system making that system no longer jurisdictional which reduced the number of jurisdictional LPG systems AmeriGas operates in Nevada from four (4) to three (3). Additionally, as outlined above the Western States Propane system is no longer jurisdictional. Therefore, the current jurisdictional LPG operators (which makes up the 9 Inspection Units) in Nevada are as follows:

AmeriGas 3 jurisdictional units; Wendover Gas 4 jurisdictional units (all located in the City of West Wendover, NV. These units are typically inspected together); 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 2022. In 2023, NV Energy's Rainbow Bend LPG system is scheduled to be replaced with natural gas and will become part of the NV Energy LDC, thereby causing another decrease in the amount of LPG systems in Nevada.

Total change with LPG operators in 2022 is from 5 Operators to 4. Total change in inspection units is from 11 inspection units to 9.

No new transmission operators were added in 2022. However, the operator Ryze Renewables Reno changed its name to "New Rise" during the first quarter of 2022. 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; New Rise 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 2022. The idle pipeline is the 36-mile Empire Mining Pipeline OPID 39536, (formerly owned by US Gypsum) which taps off 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 wants to keep the pipeline viable just in case.

#### Intrastate LNG

There are currently no Intrastate LNG facilities in Nevada, but Nevada has adopted 49 CFR 193, so the current assumption 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, 2022

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
<b>Distribution</b>									
Private	86.500	266.500	0.000	5.750	22.750	2.250	41.500	13.500	438.750
Municipal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Master Meter	4.750	0.000	0.000	0.000	0.250	0.000	0.000	0.000	5.000
LPG	35.000	0.000	0.750	0.000	5.500	0.000	0.000	2.250	43.500
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Transmission</b>									
Intrastate	32.250	18.250	0.000	26.250	5.500	0.000	0.750	3.250	86.250
Interstate	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>LNG</b>									
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
<b>Other</b>									
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
<b>Total</b>	<b>158.500</b>	<b>284.750</b>	<b>0.750</b>	<b>32.000</b>	<b>34.000</b>	<b>2.250</b>	<b>42.250</b>	<b>19.000</b>	<b>573.500</b>

#### Drug and Alcohol

Total Count of Drug and Alcohol Inspections	6
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#### Attachment 2 Notes

The numbers above are based upon an 8-hour inspection day. Multiple operator types are sometimes inspected in the same day therefore the time on those days are allocated between the different operator types based upon inspection hours. Additionally, multiple inspection types are often performed on the same operator during multi-day inspections therefore the time is 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 down to a single 8-hour 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 and state funds for non-gas related inspections) to ensure that those excavators are complying with Nevada's One-Call Law (NRS 455) when excavating around underground natural gas and other facilities; these One-Call inspections are tracked separately from the gas field inspections that are performed pursuant to 49 CFR 192. Nevada's PSP tracks these different inspection hours separately, so the numbers above do not include the approximately 200 field inspection and enforcement activities relating to protecting natural gas facilities (including PHMSA jurisdictional pipelines) via Nevada's One-Call Law.

The slight decrease in the number of field days in 2022, when compared to previous years, is mainly a result of a fully qualified inspector retiring in January-2022 and a replacement inspector not being hired till late May-2022. Additionally, the new inspector hired attended multiple T&Q classes in 2022 thereby also reducing the number of possible field inspection days. Also, Nevada has several people participating in NAPSRS sponsored committees (NAPSRS/PHMSA Distribution Team, Plastic Pipe Database Committee, GPTC Committee, and the NARUC Pipeline Safety Staff Sub-Committee) and the resources needed to actively participate in those committees detracted a small number of field days in 2022.

Nevada PSP exceeded that minimum number of construction inspection days required by PHMSA (20 percent) and the construction inspection days in 2022 made up approximately 49 percent of all inspection days. With the significant construction and pipe replacement work occurring in Nevada, this level of construction inspection work is warranted and important.

Nevada also exceeded the minimum number of inspection days required per its 2022 SICT submittal; however, the exceedance was significantly smaller than prior years given the employee turnover and other reasons outlined above.

The strong overall number of 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
- Rectifier and pipe to soil reads
- Regulator maintenance
- Odorant reads
- Emergency response and excavation damage repairs;
- 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 nearly 30 miles of higher risk, more leak prone PVC and Aldyl A pipelines in its Southern Nevada division.
- Southwest Gas performing large school customer owned yard line replacement projects.
- Southwest Gas expanding its service territory to Mesquite, Nevada and Spring Creek, Nevada including all the construction activities associated with bringing natural gas to a new city/region.
- NV Energy constructing a new 16 mile, 16-inch high-pressure distribution line to provide gas reinforcement to the South Reno area.



Nevada's PSP performed six (6) comprehensive form Drug and Alcohol ("D&A") inspections in 2022. Additionally, Nevada PSP performed its annual in-depth review of operator and contractor's compliance with the 50 percent random testing rate resulting in the Nevada PSP issuing a Notice of Probable Violation to two operators because contractors failed to comply with the minimum 50 percent random testing rate.

Annual DIMP update meetings/reviews were performed on both large LDCs (Southwest Gas and NV Energy).

Annual TRIMP meetings/review were performed with both large transmission operators with HCAs, as well as full TRIMP inspections performed on the same two operators (Southwest Gas and NV Energy).  
One TRIMP field In-Line-Inspection ("ILI") was performed in 2022. Additionally, several External Corrosion Direct Assessment ("ECDA") Dig and Inspect work was performed which added to the strong TRIMP field numbers for 2022

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 for 2022.



### Attachment 3 - List of Operators

## GAS FACILITIES SUBJECT TO STATE SAFETY JURISDICTION AS OF DECEMBER 31, 2022

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)
<b>Amerigas Consolidated Systems</b> 32013 460 N Gulph Rd, King of Prussia, PA 89415	0	0	0	3	0	0	0	0	0	0	0
<b>Docs Cottages</b> 37064 P.O. Box 3626, Stateline, NV 89449	0	0	1	0	0	0	0	0	0	0	0
<b>Empire Mining Co, LLC</b> 39536 Nevada Highway 447 - MP 68, Empire, NV 89405	0	0	0	0	0	1	0	0	0	0	0
<b>Mount Charleston Resort Cabins</b> 36756 5355 Kyle Canyon Road, Las Vegas, NV 89124	0	0	0	1	0	0	0	0	0	0	0
<b>Nevada Gold Mines</b> 30052 1655 Mountain City Highway, Elko, NV 89822	0	0	0	0	0	2	0	0	0	0	0
<b>New Rise Renewables Reno, LLC</b> 39590 14830 Kivett Lane, Reno, NV 89521	0	0	0	0	0	1	0	0	0	0	0
<b>NV Energy (dba Sierra Pacific Power Company)</b> 18308 6100 Neil Road, P.O. Box 10100 Reno, NV 89520	1	0	0	1	0	1	0	0	0	0	0
<b>Prospector Pipeline Company</b> 38923 2981 Gold Canal Drive, Rancho cordova, CA 95670	0	0	0	0	0	1	0	0	0	0	0

<b>Southwest Gas Corporation</b> 18536 5241 Spring Mountain Road, Las Vegas, NV 89150	2	0	0	0	0	1	0	0	0	0	0
<b>Wendover Gas Company</b> 31497 460 Mesa Street, Wendover, NV 89883	0	0	0	4	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)
<b>Inspection Unit totals by type</b>	<b>3</b>	<b>0</b>	<b>1</b>	<b>9</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Total Operators

10

### 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, when 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 one (1) LPG system making it non-jurisdictional (change from 4 units in 2021 to 3 in 2022).

In 2022, Western States Propane, OPID 36244, had all but one of its customers switch to natural gas service when the Southwest Gas LDC expansion occurred in the Spring Creek, NV. With these customers switching to natural gas service as of the end of 2022, Western States was only serving one (1) customer at the Spring Creek, NV, Plaza location. Since that one remaining customer was served from a single LPG tank, the single tank, single customer configuration meant the Western States Propane was no longer operating a 49 CFR 192 jurisdictional system.

One intrastate transmission pipeline continues to be in idle status in 2022. The 36-mile Empire Mining Pipeline OPID 39536, (formerly owned US Gypsum) which taps off 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

### SIGNIFICANT<sup>4</sup> GAS INCIDENTS/ACCIDENTS JANUARY 1, THROUGH DECEMBER 31, 2022

Date of Incident	Location - City/County/etc.	System Type	Injuries #	Fatalities #	Property Damage <sup>3</sup> \$	Operator Cause Code <sup>1</sup>	State Cause Code <sup>1</sup>
11/30/2022	LAS VEGAS	GD	0	0	\$195,421.00	E1D	E1D

Name of Operator: SOUTHWEST GAS CORP

Operator ID: 18536

Report No: 20220079

#### Summary<sup>2</sup>

On October 31, 2022, Southwest Gas (SWG) received a call reporting a gas odor and hissing on a dirt lot near La Cienega Street and Pyle Avenue in Las Vegas, Nevada. SWG identified a leak on its facilities and isolated the gas supply. Since the leak occurred on a distribution main stub, it was eventually cut off and abandoned. SWG evacuated a total of six persons from three nearby homes.

With gas off and the leak mitigated, SWG began aeration to remove residual reads from the surrounding soil. Due to the nature of the leak and elevation of the homes in respect to the leak location, aeration continued until December 8, 2022.

An inspector for the Public Utilities Commission of Nevada (PUCN) met with SWG management on site on November 30, prior to the incident meeting the reportable criteria. Later that day, SWG determined the accumulated costs exceeded \$129,300. Most of this total is comprised of employee labor related costs due to the continuous aeration of the residual gas in soil.

<sup>1</sup>High 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;

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

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

#### Attachment 4 Notes

Southwest Gas Southern Nevada Division

Federally Reportable Incident: La Cienega Street and Pyle Avenue

Reason for reporting: exceeded costs at approximately \$130,000

On October 31, 2022, Southwest Gas (SWG) received a call reporting a gas odor and hissing on a dirt lot near

La Cienega Street and Pyle Avenue in Las Vegas, Nevada. SWG identified a leak on its facilities and isolated the gas supply. Since the leak occurred on a distribution main stub, it was eventually cut off and abandoned. SWG evacuated a total of six persons from three nearby homes.

With gas off and the leak mitigated, SWG began aeration to remove residual reads from the surrounding soil. Due to the nature of the leak and elevation of the homes in respect to the leak location, aeration continued until December 8, 2022.

An inspector for the Public Utilities Commission of Nevada (PUCN) met with SWG management on site on November 30, prior to the incident meeting the reportable criteria. Later that day, SWG determined the accumulated costs exceeded \$129,300. Most of this total is comprised of employee labor related costs due to the continuous aeration of the residual gas in soil.

The Nevada PSP is still investigating this incident and is waiting to review the final lab report when it is complete.



## Attachment 5 - Stats on Compliance Actions

### STATE COMPLIANCE ACTIONS -- CALENDAR YEAR (CY) 2022

Probable Violation Categories	Intrastate	Interstate
Number carried over from all previous CY's	10	0
Number Found During CY	40	0
Number submitted for DOT action [60106 Agreement agent only]	0	0
Number corrected during CY (including carry over from previous year(s))	43	0
Number to be corrected at end of CY (including carry over)	7	0

#### Number of Compliance Actions Taken <sup>1</sup>

(see definition) 39

#### Civil Penalties

Number assessed during CY	2
Dollars assessed during CY	\$23,000.00
Number collected during CY	2
Dollars collected during CY	\$23,000.00

<sup>1</sup>Do not double count for a related series of actions.

#### Attachment 5 Notes

The \$23,000 civil penalty figure issued in 2022 is comprised of two (2) different proceedings. The following is a summary of those civil penalty cases:

1. A civil penalty totaling \$20,000 was assessed against Southwest Gas Corporation ("SWG"), OPID 18536. In the later half of 2019, SWG unilaterally slowed its previously approved early vintage plastic pipe ("EVPP") replacement work, which Staff believed was inconsistent with the Public Utilities Commission of Nevada ("PUCN") order in Docket No. 18-06004. Additionally, in 2020 SWG had a Federal Reportable Incident involving EVPP, which resulted in a structure explosion at 4337 Silver Dollar Avenue, Las Vegas, Nevada. As part of that incident SWG's contract leak surveyor failed to follow SWG's emergency response procedures and failed a post incident Drug and Alcohol test. Staff issued multiple notice of probable violations ("NOPV") to SWG regarding stopping/slowing their EVPP replacement program and then have a Federal Reportable Incident involving EVPP. After several months of negotiations, on February 11, 2022, Staff and SWG reached a settlement agreement and filed a Stipulation outlining a \$20,000 civil penalty for the non-compliance. Additionally, the Stipulation outlined other procedure and D&A testing enhancements as well as a firm commitment that SWG would have all EVPP replaced by December 31, 2024. The Stipulation was filed in Docket No. 21-08009. On March 8, 2022, the PUCN accepted the Stipulation. The civil penalty payment amount of \$20,000 was paid by SWG on March 22, 2022.

2. A civil penalty totaling \$3,000 was assessed against Mount Charleston Cabins ("Mount Charleston"), OPID 36756. The \$3,000 civil penalty was associated with Mount Charleston's failure to keep its LPG distribution integrity management plan ("DIMP") up to date, based upon the 2020/21 DIMP audit. The Stipulation which authorized the civil penalty was filed with the PUCN on June 14, 2022 and was designated as Docket No. 22-06027. The Stipulation, which was approved on August 8, 2022, included Mount Charleston making the required DIMP updates and it also directed Mount Charleston to make the \$3,000 civil payment to the local Mount Charleston Fire Department to help with training and LPG emergency response preparedness. On August 23, 2022, Mount Charleston filed proof of the \$3,000 civil penalty payment being made.

Nevada's PSP and the PUCN also assessed \$56,000 (11 different cases) in civil penalties in 2022 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 and these enforcement efforts also include protecting PHMSA jurisdictional interstate pipeline facilities.





## **Attachment 6 - List of Records Kept**

### **GAS STATE RECORD MAINTENANCE AND REPORTING DURING CY 2022**

#### **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 2022**

<b>Name/Title</b>	<b>% Time</b>	<b># Months</b>	<b>Qual. Cat.</b>
<b>Supervisor</b>			
<b>Neil Pascual</b> Senior Gas Pipeline Engineer	49.560	12	II
<b>Paul Maguire</b> Manager Engineering	19.000	12	II
<b>Inspector/Investigator</b>			
<b>Adelere Adesina</b> Gas Pipeline Engineer	95.390	12	I
<b>Carson Alexander</b> Gas Pipeline Engineer	96.440	7	V
<b>Craig Rogers</b> Gas Pipeline Engineer	56.940	12	II
<b>Kelly Everson</b> Gas Pipeline Engineer	98.540	12	II
<b>Kenneth Saarem</b> Gas Pipeline Engineer	97.710	1	I
<b>Mike Evans</b> Gas Pipeline Engineer	96.810	12	II
<b>Neil Pascual</b> Senior Gas Pipeline Engineer	49.560	12	II
<b>Paul Maguire</b> Manager Engineering	34.400	12	II
<b>Clerical and Administrative Support</b>			
<b>Cyndi Martin</b> Administrative Assistant, Carson City	35.350	12	IV

Summary

<u>Employee Type</u>	<u>No. of Staff</u>	<u>Person-Years</u>
Supervisor	2	0.690
Damage Prevention/Technical	0	0.000
Inspectors/Investigators	8	4.960
Clerical/Administrative	1	0.350
<b>Total</b>	<b>11</b>	<b>6.000</b>



## Attachment 7 Notes

List of employees and time percentages in Pipeline Safety

-Neil was split 50/50 between Supervisor and Inspector

-Paul spent approximately 53.4% of his time on pipeline safety base grant activities, with 34.4% being an inspector and 19% as a supervisor.

2022 training:

Daniel 0

Craig 0

Kelly 0

Carson 2 (1250 Class and Accident Investigation)

Mike 0

Ken 0

Neil 0

Paul 1 (Control Room)

Ken Saarem retired at the end of January 2022, so he was only in the program for 1 month. Carson Alexander was hired in mid-May 2022, so was in the program just a little over 7 months.

The Senior Gas Pipeline Engineer position is a half-inspector/half-supervisor position which is why Neil's position is split as 50 percent Supervisor and 50 percent Inspector. 99% of his time was split between the two positions with the remaining 1% 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, DIMP, Control Room 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 NAPS 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 which is why each of those Inspector's

## Attachment 8 - Compliance with Federal Regulations

### STATE COMPLIANCE WITH FEDERAL REQUIREMENTS AS OF DECEMBER 31, 2022

No.	Effective Date	Impact	Adoption Date	AdoptionStatus
1		<b>Maximum Penalties Substantially same as DOT (\$239,142/\$2,391,412). State must adopt minimum penalties of at least (\$100,000/\$1,000,000). Indicate actual amount in notes.</b> The PUCN's regulations (NAC 704.460) automatically adopts the latest Federal Pipeline Safety Regulations contained in 49 CFR 191, 192, 193 and 199.		
Note <sup>1</sup>		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.		
		PHMSA still accepts the \$200,000/\$2 million civil penalty standard as being comparable/acceptable to the PHMSA standard.		
2		<b>Part 192 Amendments</b>		
1-115	Pre 2011	[All applicable amendments prior to and including 2010]	12/31/2010	Adopted
Note <sup>1</sup>		Adoption of all amendments prior to 2011		
116 - 76 FR 5494	4/4/2011	Mechanical Fitting Failure Reporting Requirements	04/2011	Adopted
Note <sup>1</sup>				
117-76 FR 35130	8/15/2011	Control Room Management/Human Factors	08/2011	Adopted
Note <sup>1</sup>				
118 - 78 FR 58897	10/25/2013	Administrative Procedures, Updates, and Technical Corrections (Not applicable to States)	09/2013	Adopted
Note <sup>1</sup>				

119 - 80 FR 168	3/6/2015	Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Edits	03/2015	Adopted
Note <sup>1</sup>				
120 - 80 FR 12779	10/1/2015	Miscellaneous Changes to Pipeline Safety Regulations (Part 192.305 DELAYED)	10/2015	Adopted
Note <sup>1</sup>				
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 <sup>1</sup>				
123 - 82 FR 7972	3/24/2017	Operator Qualification, Cost Recovery, Accident and Incident Notification, and Other Pipeline Safety Changes	3/2017	Adopted
Note <sup>1</sup>				
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 <sup>1</sup>				
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 <sup>1</sup>	Pursuant to NAC 704.460, this regulation was automatically adopted			
126 - 86 FR 2210	3/12/2021	Pipeline Safety: Gas Pipeline Regulatory Reform (Delayed to 3/21) (Delayed Compliance date 10/12/2021)	03/12/2021	Adopted
Note <sup>1</sup>				
127 - 87 FR 26296	5/16/2022	Pipeline Safety: Safety of Gas Gathering Pipelines: Extension of Reporting Requirements, Regulation of Large, High-Pressure Lines, and Other Related Amendments.	5/16/2022	Adopted
Note <sup>1</sup>				
128 - 87 FR 20940	10/5/2022	Pipeline Safety: Amendments to Parts 192 and 195 to Require Valve Installation and Minimum Rupture Detection Standards.	10/5/2022	Adopted
Note <sup>1</sup>				
<b>3</b>	<b>Part 193 Amendments (applicable only where state has jurisdiction over LNG)</b>			

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

b. Note <sup>1</sup>	Qualification for operation of one-call system	07/1987	Adopted
c. Note <sup>1</sup>	Mandatory excavator notification of one-call center	07/1987	Adopted
d. Note <sup>1</sup>	State determination whether calls to center are toll free	07/1987	Adopted
e. Note <sup>1</sup>	Mandatory intrastate pipeline operator participation	07/1987	Adopted
f. Note <sup>1</sup>	Mandatory operator response to notification	07/1987	Adopted
g. Note <sup>1</sup>	Mandatory notification of excavators/public	07/1987	Adopted
h. Note <sup>1</sup>	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 2022 NAPS Regional Meeting:

Attended full time (Lead rep or alternative pipeline staff)

Frequency of General Legislative Session: Biennially



### **Attachment 8 Notes**

The PUCN's regulations (NAC 704.460) automatically adopts the latest Federal Pipeline Safety Regulations contained in 49 CFR 191, 192, 193 and 199.

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. PHMSA still accepts the \$200,000/\$2 million civil penalty standard as being comparable/ acceptable to the PHMSA standard.

The PUCN was successful in getting new legislation passed (during the current 2021 session) to have the blanket exemption for natural gas utilities from having to have professional engineers review and stamp interstate natural gas utility projects removed. This legislation change was a result of the NTSB recommendations that came out of the 2018 Merrimack Valley, MA, pipeline safety incident and report. The new legislation was passed via Assembly Bill 173 during the 2021 Nevada Legislative Session. A Rule Making Docket, Docket No. 21-06039, was opened by the PUCN after the passage of the bill which outlines, via regulations, what types of natural gas utility projects require the review of a Nevada licensed professional engineer. The NTSB has officially closed out the Recommendation issued to the State of Nevada stemming from the 2018 Merrimack Valley, MA pipeline safety incident.

In 2022, the Nevada PSP participated in NAPSRR as the Western Region Chair and hosted the annual Western Region meeting in Las Vegas. The meeting was attended by Western Region Program Managers, the NAPSRR Chair and Vice Chair, PHMSA representatives, Operator representatives as well as industry representatives.



# Attachment 10 - Performance and Damage Prevention Questions

## CALENDAR YEAR (CY) 2022

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

In 2023, the Nevada Pipeline Safety Program intends to take the PHMSA Standard Inspections (Forms 1 and 2) and segregate them into quarterly audits for the Large Distribution Companies. This would include an audit in the first quarter (Q1) that focuses on a review of their policies and procedures. Q2 will entail a records and field review of Technical Services related tasks (cathodic protection, pressure limiting devices, odorization, etc.). Q3 will entail a records and field review of Construction related tasks (leak survey, patrolling, valve inspections, etc.). Q4 will focus on a review of their damage prevention program. In addition to these quarterly LDC audit, the Nevada PSP will also take the field observations portion of Forms 1&2 and perform various field audits throughout the year.

The Nevada PSP will also perform the standard inspections/audits for the rest of our operators (master meter, LPGs, and transmission operators). Hence, the goal is complete a review of 100% of all operators in 2023.

2023 is the first year that Nevada is mandating a leak survey of all underground gas facilities regardless of class location. Thus, the Nevada PSP will be monitoring progress of the 100% annual leak survey for all operators.

Because of residential and corporate growth in Nevada, there are numerous new gas pipeline facilities (primarily mains and services) being installed on a nearly a daily basis. The Nevada PSP will continue to focus on field inspections that observe steps in the gas pipeline installation process from excavation to start-up of the new gas line.  
The Nevada PSP will also take opportunities to inspect the replacement of aging infrastructure.

Both goals mark a philosophy that the Nevada PSP has followed for several years, that there is great value with taking the opportunities to inspect pipeline as it is going into the ground.

Even through the continued decrease in damages per 1000 tickets in Nevada, damages continue to be the leading cause of failure with gas pipeline. Therefore, the Nevada PSP will continue having a strong focus on damage prevention. This includes the special damage prevention audit mentioned above, as well as taking opportunities to investigate damages in the field.

Nevada has one new Gas Pipeline Safety Engineer representing the first in several years. The plan for growth and development includes an extensive training program that consists of both in-field training with the experienced Nevada PSP Inspectors and completion of TQ classes. When available, he will also participate in Operator audits.

### **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?**

In 2022, the Nevada PSP completed several specialty audits including Drug and Alcohol, PAPEI, Operator Qualification Program and TRIMP. Along with these audits, the Nevada PSP also completed the special Section 114 audit for methane emissions on all Operators.

The Nevada PSP completed audits on 100% of Operators in 2022.

In 2022, there were approximately 193,807 one-call tickets issued, which is nearly one of the highest in the twenty-plus year recorded history. Nevada PSP efforts have managed to reduce the gas damages per 1,000 tickets to 1.74 damages. This marks the lowest amount of damages per 1,000 tickets since this metric was tracked in 2000. This is a direct result in Nevada PSP's focus on preventing damages to pipeline.

### **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 through the Nevada Regional Common Ground Alliance ("NRCGA"). Implementation of Elements 6 and 7 (Enforcement) is primarily a function of the Public Utilities Commission of Nevada ("PUCN"), its pipeline safety program ("PSP") and its Staff legal department.

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 now merged to virtual meetings.

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 locating company 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 is available and are often put on at excavating company offices in order to allow for more training and easier access.

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, which the PUCN Staff also participates in. 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. The PUCN Staff, via its Public Outreach Director, regularly attends Home/Trade Shows both in Northern and Southern Nevada and to distribute 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 events 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.

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.

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. In 2022 the 1.74 gas damages per 1,000 tickets represents the lowest amount in the program's history.

### **Attachment 10 Notes**

