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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

## 2023 Gas Base Grant Progress Report

for

### PUBLIC UTILITIES COMMISSION NEVADA

**Please follow the directions listed below :**

1. Review the entire document for completeness.
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Electronic Submission Date: 2/25/2024 10:01:14 PM



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

OFFICE OF PIPELINE SAFETY  
2023 Gas Base Grant Progress Report

Office: PUBLIC UTILITIES COMMISSION NEVADA

Neil Pascual

\_\_\_\_\_  
Authorized Signature

Neil Pascual

\_\_\_\_\_  
Printed Name

Inspector

\_\_\_\_\_  
Title

2/25/2024 10:01:14 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, 2023

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		X/60105	0	0	N/A	0	0	N/A
Offshore Facilities		X/60105	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:

For the first time in several years, Nevada's pipeline safety program ("PSP") did not experience any changes regarding the

number of jurisdictional operators and inspection units being reported. As such, the number of operators and inspection units being reported in the 2023 progress report is the same as was reported in the 2022 progress report.

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 broken up into two units, Southern Nevada Division ("SND") and Northern Nevada Division ("NND"). These comprise the three Inspection Unit figures 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 Public Utilities Commission of Nevada ("PUCN") approved a plan to have aging master meter systems located within the LDC's service territories to be 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 system in Nevada, that being Docs Cottages. Docs Cottages is a small motel system that has had no history of incidents and has a satisfactory track record.

LPG - As stated above for the first time in several years no changes to the number of jurisdictional LPG systems is being reported. 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 whose records are inspected as part of the LDC)

Mt. Charleston Cabins-1 jurisdictional system

The number of LPG operators and inspection units is expected to change next year. NV Energy plans to convert its Rainbow Bend LPG system to natural gas during the summer of 2024. Since the conversion will assimilate the Rainbow Bend housing subdivision into NV Energy's natural gas LDC operations, this conversion will result in the loss of an LPG operator as well as an LPG inspection unit.

Transmission Intrastate - No new transmission operators were added in 2023. However, there is currently a contested proceeding in front of the PUCN (Docket No. 23-06027) regarding a renewable natural gas ("RNG") injection site facility that is under construction. The Nevada PSP has taken the position that this storage trailer injection site constitutes a transmission pipeline facility. Vanguard Renewables/Dominion Energy is arguing that the trailer injection site and associated pipelines are Type R Gas Gathering. As of the end of 2023, the site is not yet operational and the PUCN has not yet ruled on the Docket. Therefore in 2024, Nevada may either be adding a new transmission operator or its first gas gathering operator.

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 2023. 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 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.

Gas Gathering Pipelines - There is currently no jurisdictional gas gathering operators in Nevada. However, as stated above depending on the outcome of Docket No. 23-06027, Nevada may either add a new intrastate transmission operator or its first gas gathering operator.

NOTE: Nevada does not currently have Gathering Lines and Offshore Facilities. However, would have jurisdiction if they were present.



## Attachment 2 - State Inspection Activity

### TOTAL STATE FIELD INSPECTION ACTIVITY AS OF DECEMBER 31, 2023

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	172.750	254.250	0.000	4.500	10.500	0.250	21.750	13.000	477.000
Municipal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Master Meter	2.500	0.000	0.000	0.000	0.250	0.000	0.000	0.000	2.750
LPG	22.750	0.000	0.500	0.000	3.000	0.000	0.000	0.000	26.250
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Transmission</b>									
Intrastate	55.750	2.250	0.000	7.500	3.250	0.000	0.000	3.500	72.250
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>253.750</b>	<b>256.500</b>	<b>0.500</b>	<b>12.000</b>	<b>17.000</b>	<b>0.250</b>	<b>21.750</b>	<b>16.500</b>	<b>578.250</b>

#### **Drug and Alcohol**

Total Count of Drug and Alcohol Inspections	0
---------------------------------------------	---

#### **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 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 to 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 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 approx. 120 plus field inspection and enforcement activities relating to protecting natural gas facilities (including PHMSA jurisdictional pipelines) via Nevada's One-Call Law.

The number of inspection field days in 2023 was very comparable to the number of inspection field days reported in 2022. Nevada has several people participating in NAPSRS sponsored committees (NAPSRS/PHMSA Distribution Team, Plastic Pipe 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 2023 but is not expected to have a material impact going forward. The Nevada PSP did lose a very seasoned inspector in late 2023, and although a new employee has been hired it will take several years to have this new employee complete all the PHMSA T&Q classes and therefore the number of inspection units reporting in 2024 and 2025 may decrease slightly.

Nevada PSP exceeded that minimum number of construction inspection days required by PHMSA (20 percent) and the construction inspection days in 2023 made up approximately 45 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. Construction inspections have provided inspectors with a unique opportunity to observe pipeline as it is being placed in service and suggest process improvements as well as mitigate issues (such as locating new lines as they are installed and replacement of temperature sticks with infrared thermometers).

Nevada also exceeded the minimum number of inspection days required per its 2023 SICT submittal as that inspection day requirement was 418 days.

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
- Taking 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 some 50 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 and regulator station to provide gas reinforcement to the South Reno area

Nevada's PSP did not perform any comprehensive Drug and Alcohol ("D&A") inspections in 2023 as none were due. However, Nevada PSP performed its annual in-depth review of operator and contractor's compliance with the 50 percent random testing rate.

Annual DIMP update meetings/reviews were performed on both large LDCs, those being Southwest Gas and NV Energy.

Annual TRIMP meetings/review were performed with both large transmission operators with HCAs.

One TRIMP field In-Line-Inspection ("ILI") was performed in 2023. Additionally, several External Corrosion Direct Assessment ("ECDA") Dig and Inspect work was also performed which added to the strong TRIMP field numbers for 2023.

The 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 2023.

NOTE: There were no incidents in 2023. The 1/4 day under the category of "Investigating Incidents" is associated with completing the investigation and compiling the PHMSA Form 11 - Pipeline Failure Investigation Report for an incident that was reported in late November of 2022. Also, the 1/2 day operator training was conducted for the Mt. Charleston Cabins LPG system due to their change in personnel.



### Attachment 3 - List of Operators

## GAS FACILITIES SUBJECT TO STATE SAFETY JURISDICTION AS OF DECEMBER 31, 2023

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).

One intrastate transmission pipeline continues to be in idle status in 2023. The 36-mile Empire Mining Pipeline OPID 39536, (formerly owned by US Gypsum) which taps off of the interstate Tuscarora pipeline is currently physically disconnected from the Tuscarora pipeline and 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.

No changes in the number of operators or inspection units occurred in 2023. However, there is currently a contested proceeding in front of the PUCN (Docket No. 23-06027) regarding a renewable natural gas ("RNG") injection site facility that is under construction. The Nevada PSP has taken the position that this storage trailer injection site constitutes a transmission pipeline facility. Vanguard Renewables/Dominion Energy is arguing that the trailer injection site and associated pipeline is Type R Gas Gathering. As of the end of 2023, the site is not yet operational and the PUCN has not yet ruled on the Docket. Therefore in 2024, Nevada may either be adding a new transmission operator or its first gas gathering operator. Additionally, Sierra Pacific Power Company (d/b/a NV Energy) is planning on converting its small Rainbow Bend LPG system to natural gas during the summer of 2024. That will result in the loss of a LPG operator and an LPG inspection unit.

## Attachment 4 - Incidents/Accidents

### SIGNIFICANT<sup>4</sup> GAS INCIDENTS/ACCIDENTS JANUARY 1, THROUGH DECEMBER 31, 2023

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>
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Name of Operator:

Operator ID:

Report No:

Summary<sup>2</sup>

<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**

██████████ Nevada had no Federal Reportable Incidents in 2023. Staff did however continue with its investigation into the Federal Reportable Incident that occurred in the later part of 2022, specifically, October 31, 2022. This incident involved Southwest Gas Corporation and its Southern Nevada Division and a leak that resulted in emergency response and leak mitigation costs expected to exceed the reporting level threshold. In 2023 the investigation concluded, and the Incident Report prepared by Staff was finalized and is available for review. Staff did not identify any issues that they believed warranted the issuance of a Notice of Probable Violation or a compliance action. The incident was associated with a leak that was found via an odor call and due to aeration costs (mainly personnel) and the fact that people needed to be evacuated and placed in hotels over the November holidays, the cost exceeded the reporting threshold. No injuries or fatalities occurred because of the Incident. Additionally, Nevada has implemented an annual leak survey requirement for all pipelines (not just business districts) and in 2023 Southwest Gas has complied with this new requirement. It is hopeful that this new annual leak survey requirement will help to find leaks much earlier, potentially preventing such incidents like this one that occurred on October 31, 2022 at La Cienega Street and Pyle Avenue in Las Vegas, Nevada.

## Attachment 5 - Stats on Compliance Actions

### STATE COMPLIANCE ACTIONS -- CALENDAR YEAR (CY) 2023

Probable Violation Categories	Intrastate	Interstate
Number carried over from all previous CY's	7	0
Number Found During CY	11	0
Number submitted for DOT action [60106 Agreement agent only]	0	0
Number corrected during CY (including carry over from previous year(s))	14	0
Number to be corrected at end of CY (including carry over)	4	0

**Number of Compliance Actions Taken <sup>1</sup>**  
(see definition) 24

**Civil Penalties**

Number assessed during CY	3
Dollars assessed during CY	\$215,000.00
Number collected during CY	3
Dollars collected during CY	\$215,000.00

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

**Attachment 5 Notes**

The \$215,000 civil penalty figure issued in 2023 is comprised of three (3) different civil penalty proceedings. The following is a summary of those civil penalty cases:

#1 - A civil penalty totaling \$75,000 was assessed against Sierra Pacific Power Company d/b/a NV Energy ("NVE"), OPID 18308. This civil penalty is associated with a combined settlement regarding three separate compliance actions. The first compliance action was associated with the 2021-Q4 DIMP Audit in which NVE failed to take timely action in mapping, leak surveying and checking for proper corrosion control on numerous previously undocumented service lines. The second compliance action was associated with a leak that was found in December of 2021 via an odor call, which NVE graded as a non-hazardous grade 2 leak, that became hazardous before it was repaired, and which resulted in numerous people and apartments being evacuated. The final compliance action was associated with NVE having unqualified personnel performing pipe joining activities. After several months of negotiations, on December 19, 2022, Staff and NVE reached a settlement agreement and filed a Stipulation outlining a \$75,000 civil penalty. Additionally, the Stipulation outlined other pipeline safety enhancements that NVE was required to undertake, including performing a gap analysis regarding whether NVE should be required to implement a Safety Management System ("SMS"). NVE also agreed to forego requesting recovery of the estimated \$500,000 in costs associated with implementing Nevada's new annual leak survey rule. The stipulation filing was designated as Docket No. 22-12018. On February 3, 2023, the PUCN accepted the Stipulation and issued an order. The civil penalty

payment amount of \$75,000 was paid by NVE on March 20, 2023.

#2 - A civil penalty totaling \$40,000 was assessed against Southwest Gas Corporation ("SWG"), OPID 18356. This civil penalty was associated with SWG's Northern Nevada Division ("SWG-NND") failing to properly mark (in the September/October 2022 period) natural gas pipelines in its new expanded service area of Spring Creek, Nevada. After several months of negotiations, on May 2, 2023, Staff and SWG reached a settlement agreement and filed a Stipulation outlining a \$40,000 civil penalty for the non-compliance. An additional civil penalty amount of \$17,500 was also assessed but that penalty was associated with SWG-NND's failure to comply with Nevada's Call-Before-You-Dig law and was not specifically associated with 49 CFR 192. Additionally, the Stipulation outlined some other compliance requirements including that SWG-NND was required to spend an additional \$10,000 on enhancing damage prevention awareness and that \$10,000 was not to be recoverable from ratepayers. The Stipulation was filed in Docket No. 23-05002. On June 21, 2023, the PUCN accepted the Stipulation. The civil penalty payment amount of \$40,000 was paid by SWG on July 14, 2023.

#3 - A civil penalty totaling \$100,000 was assessed against Nevada Gold Mines ("NGM"), OPID 30052. The \$100,000 civil penalty was associated with multiple non-compliance issues on NGM's Twin Creeks pipeline. The non-compliance items included numerous records issues and some field issues associated with the new odorization system that was installed. The Stipulation which authorized the civil penalty was filed with the PUCN on June 7, 2023 and was designated as Docket No. 23-06011. The Stipulation, which was approved on August 2, 2023, also included numerous additional compliance activities NGM had to undertake including hiring a third party engineering firm to review its odorization installation. On August 8, 2023, NGM filed proof of the \$100,000 civil penalty payment being made.

Nevada's PSP and the PUCN also assessed \$100,100 (18 different cases) in civil penalties in 2023 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 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 2023

#### 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 2023

Name/Title	% Time	# Months	Qual. Cat.
<b>Supervisor</b>			
<b>Neil Pascual</b> Senior Gas Pipeline Engineer	49.300	12	II
<b>Paul Maguire</b> Manager Engineering	22.500	12	II
<b>Inspector/Investigator</b>			
<b>Adelere Adesina</b> Gas Pipeline Engineer	97.400	12	I
<b>Carson Alexander</b> Gas Pipeline Engineer	96.100	12	III
<b>Craig Rogers</b> Gas Pipeline Engineer	57.800	10.5	II
<b>Kelly Everson</b> Gas Pipeline Engineer	97.900	12	II
<b>Mike Evans</b> Gas Pipeline Engineer	94.600	12	II
<b>Neil Pascual</b> Senior Gas Pipeline Engineer	49.300	12	II
<b>Paul Maguire</b> Manager Engineering	25.400	12	II
<b>Clerical and Administrative Support</b>			
<b>Cyndi Martin</b> Administrative Assistant, Carson City	34.610	12	IV



## Summary

<u>Employee Type</u>	<u>No. of Staff</u>	<u>Person-Years</u>
Supervisor	2	0.720
Damage Prevention/Technical	0	0.000
Inspectors/Investigators	7	5.110
Clerical/Administrative	1	0.350
<b>Total</b>	<b>10</b>	<b>6.180</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 48% of his time on pipeline safety base grant activities, with 25.4% being an inspector and 22.5% as a supervisor.

### 2023 T&Q training classes:

- Daniel 0
- Craig 0
- Kelly 1
- Carson 5 (Finished his core classes and some specialty classes like LPG and OQ)
- Mike 0
- Neil 0
- Paul 0

One of Nevada's more senior inspectors passed away at the beginning of November-2023, and a replacement had not been brought on board prior to the end of 2023. Carson Alexander was hired in mid-May 2022, and in 2023 he completed his core T&Q classes plus several specialty T&Q classes. Carson is now qualified to perform all standard level inspections.

The Senior Gas Pipeline Engineer position is a half-inspector/half-supervisor position that is why Neil Pascual's position is broken up as 50 percent Supervisor and 50 percent Inspector. 98.6% of his time was split between the two positions with the remaining 1.4% 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, LPG and OQ inspections. As such, it is estimated that Paul will perform roughly 40 to 60 inspection days per year, which equates to 30 to 40 percent of the time he spends on pipeline safety activities. The other time Paul spends is supervisory in nature, including reviewing NOPV Letters and being on the NARUC pipeline safety Staff subcommittee and attending NAPSR regional meetings.

All Nevada pipeline safety engineers/inspectors 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 and are instead allocated to the PHMSA awarded One-Call Grant.

Five of the six Nevada PSP Inspectors in 2023 have completed all the IMP classes and the Root Cause class.

The goal for 2024 is to have Carson Alexander continue to work through the specialty TRIMP and Control Room classes. Also, Staff is in the process of bringing a new engineer/inspector onboard in early 2024 and the goal is for this person to attend at least two (2) T&Q classes in 2024, including the 1250 class.

## Attachment 8 - Compliance with Federal Regulations

### STATE COMPLIANCE WITH FEDERAL REQUIREMENTS AS OF DECEMBER 31, 2023

No.	Effective Date	Impact	Adoption Date	AdoptionStatus
1		<p><b>Maximum Penalties Substantially same as DOT (\$257,664/\$2,576,627). State must adopt minimum penalties of at least (\$100,000/\$1,000,000). Indicate actual amount in notes.</b></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>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 plans to pursue new legislation in the 2025 Nevada legislative session to adopt the new Federal inflation adjusted civil penalty amount. It is the PUCN's understanding that PHMSA still accepts the \$200,000/\$2 million civil penalty standard as being comparable/ acceptable to the PHMSA standard but the PUCN understands that the best scenario is for Nevada's pipeline safety civil penalty authority to match the PHMSA level exactly.</p> <p>The PUCN plans to submit a Bill Draft Request to update the current civil penalty amount to include the annual inflation adjustment as part of the 2025 Nevada Legislative session.</p>	05/2015	Adopted (\$200,000/\$2,000,000)
		Note <sup>1</sup>		
2		<b>Part 192 Amendments</b>		
		1-115 [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>				

130 - 87 FR 52224	5/24/2023	Pipeline Safety: Safety of Gas Transmission Pipelines: Repair Criteria, Integrity Management Improvements, Cathodic Protection, Management of Change, Other Related Amendments, and Technical Corrections	5/24/2023	Adopted
Note <sup>1</sup>	Pursuant to NAC 704.460, this regulation was automatically adopted			
131 - 88 FR 24708	5/24/2023	Pipeline Safety: Safety of Gas Transmission Pipelines: Repair Criteria, Integrity Management Improvements, Cathodic Protection, Management of Change, and Other Related Amendments: Technical Corrections	5/24/2023	Adopted
Note <sup>1</sup>	Pursuant to NAC 704.460, this regulation was automatically adopted			
132 - 88 FR 50056	8/1/2023	Pipeline Safety: Requirement to Valve Installation and Minimum Rupture Detection Standards: Technical Corrections	8/1/2023	Adopted
Note <sup>1</sup>	Pursuant to NAC 704.460, this regulation was automatically adopted			
<b>3</b>	<b>Part 193 Amendments (applicable only where state has jurisdiction over LNG)</b>			
1-23	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			
24 - 78 FR 58897	10/25/2013	Administrative Procedures, Updates, and Technical Corrections	09/2013	Adopted
Note <sup>1</sup>				
25 - 80 FR 168	3/6/2015	Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Edits	03/2015	Adopted
Note <sup>1</sup>				
<b>4</b>	<b>Part 199 - Drug Testing</b>			<b>04/2000</b> Adopted
Note <sup>1</sup>				
<b>5</b>	<b>Part 199 Amendments</b>			
1-24	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			
25 - 78 FR 58897	10/25/2013	Administrative Procedures, Updates, and Technical Corrections	09/2013	Adopted
Note <sup>1</sup>				



26 - 80 FR 168	3/6/2015	Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Edits	03/2015	Adopted
Note <sup>1</sup>				
27 - 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>				
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 <sup>1</sup>				
<b>6</b>	<b>State Adoption of Part 198 State One-Call Damage Prevention Program</b>			
a.		Mandatory coverage of areas having pipeline facilities	07/1987	Adopted
Note <sup>1</sup>				
b.		Qualification for operation of one-call system	07/1987	Adopted
Note <sup>1</sup>				
c.		Mandatory excavator notification of one-call center	07/1987	Adopted
Note <sup>1</sup>				
d.		State determination whether calls to center are toll free	07/1987	Adopted
Note <sup>1</sup>				
e.		Mandatory intrastate pipeline operator participation	07/1987	Adopted
Note <sup>1</sup>				
f.		Mandatory operator response to notification	07/1987	Adopted
Note <sup>1</sup>				
g.		Mandatory notification of excavators/public	07/1987	Adopted
Note <sup>1</sup>				
h.		Civil penalties/injunctive relief substantially same as DOT	10/1991	Adopted
Note <sup>1</sup>		Civil penalty amounts were increased in 2015 as part of Senate Bill 86.		



**If Adoption Status is No, Please provide an explanation**

State Attendance at 2023 NAPS Regional Meeting:

Attended full time (Lead rep or alternative pipeline staff)

Frequency of General Legislative Session: Biennially

**Attachment 8 Notes**

The PUCN was successful in getting new legislation passed (during the 2021 session) to remove the blanket exemption for natural gas utilities from requiring professional engineers review and stamp intrastate natural gas utility projects. 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 and that Rule Making Docket 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.

During the 2023 Nevada Legislative Session, the PUCN was successful in getting Senate Bill 27 passed which removed the blanket hand tool exemption from Nevada's One-Call Law, NRS 455. This change in the law should help reduce excavation damages even further than record low levels currently being achieved.



# Attachment 10 - Performance and Damage Prevention Questions

## CALENDAR YEAR (CY) 2023

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

The Nevada Pipeline Safety Program plans to continue conducting intentional reviews of every Operator. This entails an in-office or in-field inspection of each Operator in Nevada. The majority of Operators would have both. In addition, the Pipeline Safety Program will conduct quarterly audits of our large distribution companies (LDCs). The first quarter (Q1) LDC audit will be a DIMP audit. Q2 will focus on a review of their As-Built documentation and a records and field evaluation of their Damage Prevention programs. Q3 entails a records and field review of their construction related tasks (leak survey, patrolling, valve inspections, etc.). Q4 focuses on their Technical Services related tasks (cathodic protection, pressure limiting devices, odorization, etc.). In addition to these formal audits, the Pipeline Safety Program will conduct various field Operations and Maintenance reviews and Construction Inspections. Once these goals for 2024 have been achieved, the Pipeline Safety Program will have reviewed 100% of the Nevada Operators.

2024 will be the second year since new regulations have mandated a leak survey of all underground gas facilities regardless of class location. The Pipeline Safety Inspectors will continue to monitor this to ensure that every gas pipeline in Nevada is leak surveyed by the end of the year.

As the State continues to grow and expand, especially in the Las Vegas and Reno areas, and more businesses and homes are developed; natural gas pipeline infrastructure is added on practically a daily basis. Because we have witnessed the value of inspecting this pipeline before and while it is being placed into service, we will continue our efforts to complete numerous construction inspections.

The Nevada Pipeline Safety Program also added a new Inspector in 2024 and will work on in-field training as well get getting him through the PHMSA Training and Qualifications courses.

### 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 2023, the Nevada Pipeline Safety Program completed audits on 100% of Operators as well as quarterly audits for the LDCs. Having contact with every Operator on a minimum of an annual basis has allowed the Pipeline Safety Program to convey current safety initiatives, monitor our Operator's responses to new regulations and help Operator's maintain focus on pipeline safety.

As mentioned, 2023 was the first year that every natural gas and LPG pipeline in Nevada was leak surveyed (regardless of distribution, transmission, business district or residential). This may have attributed to the lack of Federally reportable incidents in 2023 as there were none.

The Nevada Pipeline Safety Program also accomplished the lowest number of damages per 1,000 tickets in 2022 at 1.74 damages per 1,000 tickets. This reflects our efforts to investigate every damage (at least 90%) and drive violators to attend Damage Prevention Training classes.

#### 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 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.

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 (depending on Operator size), 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. In 2023, legislation was passed to include hand-digging as part of excavation to help foster a reduction of damages from hand-held equipment such as ground rod stakes.

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. The 2023 table for gas damages show even more progress with damages per 1,000 tickets at 1.53.

**Attachment 10 Notes**

