

Goss ■ Samford PLLC



Attorneys at Law

L. Allyson Honaker
allyson@gosssamfordlaw.com
(859) 368-7740

December 17, 2015

Via Hand-Delivery

Mr. Jeffrey Derouen
Executive Director
Kentucky Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, KY 40602

RECEIVED

DEC 17 2015

PUBLIC SERVICE
COMMISSION

Re: In the Matter of: Carrollton Utilities Alleged Failure to Comply With 49 CFR § 191.9(a); Case No. 2015-00178.

Dear Mr. Derouen:

Enclosed please find for filing with the Commission in the above-referenced case an original and ten (10) copies of Carrollton Utilities' Motion to Dismiss or in the Alternative to Schedule Depositions in the above-styled matter. Please return a file-stamped copy to me.

Please do not hesitate to contact me if you have any questions.

Sincerely,

L. Allyson Honaker

Enclosures

RECEIVED

DEC 17 2015

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CARROLLTON UTILITIES)	
ALLEGED FAILURE TO COMPLY WITH)	CASE NO. 2015-00178
49 CFR § 191.9(a))	

MOTION TO DISMISS OR IN THE ALTERNATIVE
MOTION TO SCHEDULE DEPOSITIONS

Comes now Carrollton Utilities ("Carrollton"), by and through counsel, and for its motion to dismiss with prejudice the show cause action initiated by the Kentucky Public Service Commission ("PSC" or "Commission") in the above-captioned proceeding on June 15, 2015, respectfully states as follows:

PROCEDURAL HISTORY

The Commission initiated this proceeding by entering an Order on June 15, 2015. Carrollton filed a motion for extension of time to file its Answer in this proceeding on July 27, 2015 which was granted by the Commission on July 30, 2015. Carrollton's Answer was filed on August 4, 2015, which included a request for an informal conference and a motion to dismiss the proceeding. The Commission issued data requests to Carrollton on August 27, 2015 and responses were filed by Carrollton on September 8, 2015. An informal conference was held on September 10, 2015. The Commission issued an Order on November 2, 2015, denying Carrollton's motion to dismiss finding that "the existing record is insufficient to resolve all outstanding material questions of fact... an evidentiary hearing is required for the purpose of taking evidence regarding

the alleged violation.” Carrollton requested, and was granted, a second informal conference, which was held on December 10, 2015.

Carrollton renews the arguments made in the previous motion to dismiss and, in an attempt to address the Commission’s concerns that the existing record is insufficient, submits additional evidence to support its position that this action should be dismissed.

SUMMARY OF FACTS

On or about May 27, 2014, at approximately 14:05 hours, Carrollton was notified of an event that occurred at 1104 11th Street, Carrollton, Kentucky. The event occurred approximately five minutes prior and involved a fire and report of an explosion. Carrollton arrived on scene within ten minutes of the notification. Upon arrival, Carrollton was asked by the Carrollton Fire Department to shut off the natural gas flow to the house. Due to the structure fire near the meter set and meter valve, Carrollton was unable to shut off the gas at the meter, but rather performed a squeeze-off on the service line approximately fifteen feet upstream of the meter set.

At approximately 15:00 hours, Carrollton notified the National Response Center (“NRC”), pursuant to 49 CFR § 191.5 and notified the PSC as a courtesy. On May 28, 2014, at approximately 08:15 hours, PSC Pipeline Safety inspectors, Bill Aitken and Joel Grugin arrived on scene and witnessed Carrollton perform the pressure test on the service line to the house in question. The service line held pressure, which is significant in showing that Carrollton’s jurisdictional facilities were not the cause of the explosion and that the natural gas did not escape from Carrollton’s pipeline prior to the explosion. The PSC investigators also reviewed Carrollton’s previous pressure records and weekly odorant tests. It was determined that the operating pressure at the time of the event was approximately 35 psig, well below the system Maximum Allowable Operating Pressure (“MAOP”) of 60 psig. It was also determined that the natural gas was odorized

to sufficient levels to meet the requirements of 49 CFR § 192. The fact that the natural gas was sufficiently odorized is significant because, according to the Carrollton Fire Department's report, neither the homeowner nor his mother smelled anything unusual prior to the explosion. Carrollton also conducted a gas leakage survey of the area around the event site to determine if any gas leakage was present and no gas leaks were detected. The leak survey is significant in showing that Carrollton's jurisdictional facilities were not the source or cause of the event.

The Carrollton Fire Department was unable to determine the exact cause of the fire, but was able to determine that it originated in the basement of the home, nowhere near Carrollton's jurisdictional facilities, which end at the meter set outside the home. Also, according to the Carrollton Fire Department's report, the homeowner stated that he had been working on the plumbing in the basement of the home installing a water softener. He had not completed this work when the explosion occurred.

Carrollton determined within a week that this event was not a reportable incident. However, Carrollton received a telephone call from PSC investigators requesting that Carrollton file the PHMSA Form F7100.1. A discussion took place regarding Carrollton's determination that this event was a non-reportable incident, but since Carrollton has a great working relationship with the PSC investigators, Carrollton filed the report, as a courtesy, per the investigators' request. PHMSA Form F7100.1 is an electronic form that consists largely of menu options (i.e. operator must choose from a list) that are designed for an incident as defined in 49 CFR 191.3. When filling out the PHMSA F7100.1 form, Carrollton was forced to choose an answer from the available menu options, even if it wasn't applicable to the event in question. However, PHMSA Form F7100.1 does allow for comments in certain sections. As shown in its filed F7100.1 report,¹ Carrollton

¹ A copy of Carrollton's PHMSA Form F7100.1 was attached to Carrollton's response filed on August 4, 2015, as Attachment E.

includes language in Section C (5) that the type of release was “Other” and describes how the riser, meter, and regulator were damaged when the block wall collapsed and fell on said facilities. This is additional evidence that shows any release of gas from Carrollton’s jurisdictional facilities on the day of the event was due to “secondary ignition” or “fire first” and was not reportable. After filing the report on July 28, 2014, Carrollton did not receive any further communication regarding this event from the PSC until almost a year later when Jonathon Beyer, staff attorney for the PSC, contacted the law office of James & Wells, P.S.C, regarding the status of a response to the PSC Order entered on June 15, 2015. Apparently this Order was emailed to Carrollton but was never received by anyone associated with Carrollton. A copy of the Order, with the Investigative Report attached, was emailed to James & Wells P.S.C. on or about July 20, 2015 and then forwarded on to Carrollton. This was the first time Carrollton had seen or been made aware of the Investigative Report and the first time Carrollton became aware that the PSC had any concern with this event. Over a year had elapsed since the event had occurred prior to receiving the Investigative Report.

ARGUMENTS

Based on its own investigation and the investigation of the Carrollton Fire Department, Carrollton determined that this event was a “secondary ignition” or “fire first” event and was not a reportable incident pursuant to the definition of “incident” contained in 49 CFR § 191.3. In order for an event to meet the definition of an “incident” it must first “involve a release of gas from a pipeline...”² Based on the testing that was performed on Carrollton’s facilities, Carrollton determined that there was no release of gas from its pipeline prior to the explosion, and therefore this could not be an “incident involving a release of gas from a pipeline” other than a “secondary ignition” or “fire first” incident.

² See Incident flowchart prepared by Jason Brangers, Vice President of Operations for Kentucky, Utility Safety and Design, Inc., attached as Exhibit 1.

This event falls clearly under the type of event PHMSA describes in its General Instructions for Form PHMSA F7100.1, which is attached as Exhibit 2. On page 1 of the General Instructions, it states:

Special considerations apply when a gas distribution system failure or release occurs involving secondary ignition. Secondary ignition is a fire where the origin of the fire is unrelated to the gas systems subject to Parts 191 or 192, such as electrical fires, arson, etc., and includes events where fire or explosion not originating from a gas distribution system failure or release, such as a house fire that subsequently resulted in – but was not caused by – a gas distribution system failure or release. **An incident caused by secondary ignition is not to be reported unless a release of gas escaping from facilities subject to regulation under Parts 191 or 192 results in one or more of the consequences as described in § 191.3 under “Incident” (1)....**PHMSA is providing the following guidance for operators to use when secondary ignition is involved (sometimes referred to as “Fire First” incidents):

- A gas distribution system incident attributed to secondary ignition is to be reported to PHMSA if any fatalities or injuries are involved unless it can be established with reasonable certainty that all of the casualties either preceded the gas distribution system failure or release, or would have occurred whether or not the gas distribution system failure or release occurred.
- A gas distribution system incident attributed to secondary ignition is NOT to be reported to PHMSA if the only reportable criterion is unintentional loss of gas of 3 million cubic feet or more as described in § 191.3 under “Incident” (1)(iii).
- A gas distribution system incident attributed to secondary ignition is NOT to be reported to PHMSA unless the damage to facilities subject to Parts 191 or 192 equals or exceeds \$50,000. (emphasis added)

Carrollton determined that this event was a “secondary ignition” or “fire first” event and was not a reportable incident pursuant to the definition of “incident” contained in 49 CFR § 191.3. According to the instructions for PHMSA Form F7100.1, **“An incident caused by secondary ignition is not to be reported unless a release of gas escaping from facilities subject to regulation under Parts 191 or 192 results in one or more of the consequences as described in**

§ 191.3 under “Incident” (1).” (emphasis added). In other words, only incidents that are described in §191.3(1) are to be reported when a “secondary ignition” or “fire first” situation occurs, but the instructions also change some of that criteria. For instance, in § 191.3(1) (ii) the estimated property damage of \$50,000 or more includes property loss to both the operator and to others, however, in the instructions for PHMSA Form F7100.1, for a secondary ignition event, only damage to the operator’s facilities is to be evaluated in determining if it meets or exceeds the \$50,000 threshold total. When a secondary ignition event occurs, §191.3(2)³ and (3)⁴ do not come into play since the instructions clearly state that secondary ignition events are only to be reported if they meet the criteria of § 191.3(1) and subject to the changes made to subsections (i), (ii), and (iii) above. Therefore, whether or not the operator determines the event to be significant is not a basis for determining that the secondary ignition event was reportable or not. Even if §191.3(3) were to apply, which Carrollton maintains it does not, this event was not considered “significant” to Carrollton and should not have been considered “significant” by any other gas operator. There was minimal damage to Carrollton facilities and it was not an event caused by any failure on Carrollton’s part. Pursuant to the language of § 191.3(3), determining whether or not an event is “significant” is the operator’s judgment, not the homeowner’s or PSC’s judgment. Furthermore, in the instructions for PHMSA Form F7100.1, PHMSA removed property of others from consideration in determining whether or not the \$50,000 damage threshold was met for secondary ignition events. If the judgment of the homeowner was the determining factor, then anytime an electrical fire or meth lab explosion destroyed a house, methane gas was involved or arson, etc.,

³ 49 CFR § 191.3(2) states “An event that results in an emergency shutdown of an LNG facility. Activation of an emergency shutdown system for reasons other than an actual emergency does not constitute an incident.

⁴ 49 CFR § 191.3(3) states “An event that is significant in the judgment of the operator, even though it did not meet the criteria of paragraphs (1) or (2) of this definition.

then Carrollton would have to report those as incidents, which is contrary to the regulations and PHMSA instructions for incident reporting.

Carrollton made telephonic notification to NRC and, as a courtesy, to the PSC since the regulations only require Carrollton to notify NRC. Since the initial telephonic notification is required to be made within a short timeframe from the time Carrollton is notified of the event, Carrollton had not been able to determine the cause of the explosion prior to having made the telephonic notification. Carrollton has had discussions with experienced PHMSA staff regarding what is required of Carrollton once a telephonic notification is made regarding an event that is later determined to be “non-reportable”. According to PHMSA staff, an operator is not required to file PHMSA Form F7100.1 if the event is determined to be “non-reportable” even if the telephonic notification is made. If PHMSA Form F7100.1 is filed and it is later determined to be “non-reportable”, the operator can request that the report be retracted, however, it is not required. A telephonic notification cannot be retracted and Carrollton can, as a courtesy, notify the PSC that a report will not be forthcoming, but it is not required to do so.⁵ In this case, Carrollton sent a written request to both PHMSA and Jason Hunt with the PSC on June 15, 2015, requesting that the PHMSA Form F7100.1 be retracted even though it was not required to do so.

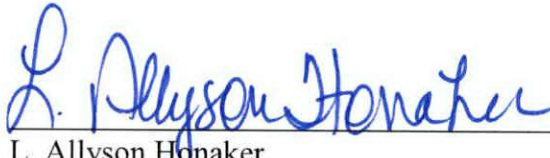
There is absolutely no evidence to show that this was an “incident” defined in § 191.3(1). There is no evidence to show that any of Carrollton’s jurisdictional facilities were involved in the explosion that occurred. Just because a house has natural gas as its fuel source does not mean that every fire or explosion that occurs is attributable to the natural gas. In this case, evidence has been submitted to show that this explosion was not due to any failure of Carrollton’s jurisdictional facilities and, therefore, it could only be classified as a “secondary ignition” or “fire first” event.

⁵ See Email between Bill Osborne, Carrollton Utilities General Manager and Chris Taylor, PHMSA staff, attached as Exhibit 3.

There is zero evidence that Carrollton's jurisdictional facilities caused the explosion. Since there were no fatalities or injuries and the damage to Carrollton's facilities subject to Parts 191 and 192 did not equal or exceed \$50,000, this event was not reportable under any circumstances. There was no requirement that PHMSA Form F7100.1 be filed, so Carrollton cannot be subject to penalties for filing the form more than thirty days after the event occurred. As a courtesy, Carrollton could have contacted the PSC to inform the PSC that the thirty day report would not be forthcoming, but Carrollton was not required to do so. Being subject to a show cause proceeding as a result of making a courtesy notification calls to mind the old expression that, "no good deed goes unpunished."

For the foregoing reasons, Carrollton Utilities requests that this matter be dismissed with prejudice and removed from the Commission's docket. In the alternative, if the motion to dismiss is denied, Carrollton requests that it be allowed, pursuant to KRS 278.340, to schedule depositions of Commission investigators, Bill Aitken and Joel Grugin. Carrollton believes it is necessary to conduct these depositions prior to the hearing in this matter in order to properly prepare for the hearing. The depositions are also necessary to obtain the investigators' first-hand account of this event and gather information regarding any other PSC staff that Carrollton may need to call as witnesses at the hearing in this matter.

Respectfully submitted,



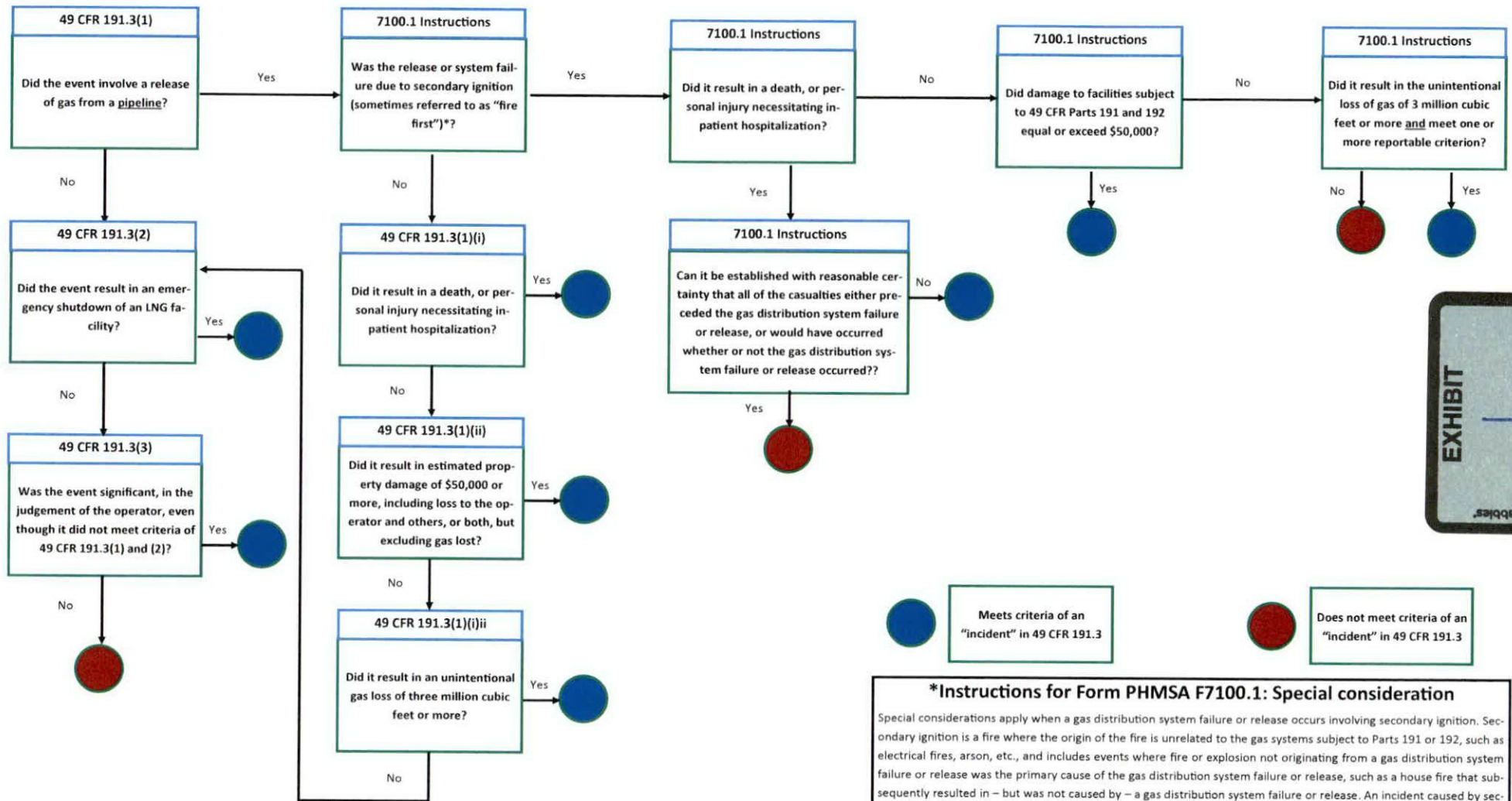
L. Allyson Honaker
David S. Samford
Goss Samford, PLLC
2365 Harrodsburg Road
Suite B-325
Lexington, Kentucky 40504
(859) 368-7740
allyson@gosssamfordlaw.com
david@gosssamfordlaw.com

-and-

G. Edward James
James & Wells P.S.C.
516 Highland Avenue
P.O. Box 373
Carrollton, Kentucky 41008
gejlaw@bellsouth.net

Counsel for Carrollton Utilities

49 CFR 191.3 DEFINITIONS—INCIDENT DETERMINATION CRITERIA



Meets criteria of an
"incident" in 49 CFR 191.3

Does not meet criteria of an
"incident" in 49 CFR 191.3

***Instructions for Form PHMSA F7100.1: Special consideration**

Special considerations apply when a gas distribution system failure or release occurs involving secondary ignition. Secondary ignition is a fire where the origin of the fire is unrelated to the gas systems subject to Parts 191 or 192, such as electrical fires, arson, etc., and includes events where fire or explosion not originating from a gas distribution system failure or release was the primary cause of the gas distribution system failure or release, such as a house fire that subsequently resulted in – but was not caused by – a gas distribution system failure or release. An incident caused by secondary ignition is not to be reported unless a release of gas escaping from facilities subject to regulation under Parts 191 or 192 results in one or more of the consequences as described in §191.3 under "Incident" (1).

GENERAL INSTRUCTIONS

Each operator of a gas distribution system shall file Form PHMSA F 7100.1 for an incident that meets the criteria in 49 CFR §191.3 as soon as practicable but not more than 30 days after detection of the incident. Requirements for submitting reports are in §191.7 and §191.9.

Master meter operators are exempt from filing incident reports per §191.9(c).

The intentional and controlled release of gas for the purpose of maintenance or other routine operating activities need not be reported if the only reportable criterion is unintentional loss of gas of 3 million cubic feet or more as described in §191.3 under "Incident" (1)(iii).

Special considerations apply when a gas distribution system failure or release occurs involving secondary ignition. Secondary ignition is a fire where the origin of the fire is unrelated to the gas systems subject to Parts 191 or 192, such as electrical fires, arson, etc., and includes events where fire or explosion not originating from a gas distribution system failure or release was the primary *cause* of the gas distribution system failure or release, such as a house fire that subsequently resulted in – but was not caused by – a gas distribution system failure or release. An incident caused by secondary ignition is not to be reported unless a release of gas escaping from facilities subject to regulation under Parts 191 or 192 results in one or more of the consequences as described in §191.3 under "Incident" (1). The determination of consequences from a gas distribution system incident caused by secondary ignition, though, is an area of possible confusion when reporting incidents. This situation is particularly susceptible to confusion as compared to other Natural or Other Outside Force Damage because it is extremely difficult in most cases to establish whether and which consequences were attributable to the initiating fire (that is, the "secondary ignition" source itself) or to a subsequent fire due to a resulting gas distribution system failure or release. PHMSA is providing the following guidance for operators to use when secondary ignition is involved (sometimes referred to as "Fire First" incidents):

- A gas distribution system incident attributed to secondary ignition is to be reported to PHMSA if any fatalities or injuries are involved unless it can be established with reasonable certainty that all of the casualties either preceded the gas distribution system failure or release, or would have occurred whether or not the gas distribution system failure or release occurred.
- A gas distribution system incident attributed to secondary ignition is NOT to be reported to PHMSA if the only reportable criterion is unintentional loss of gas of 3 million cubic feet or more as described in §191.3 under "Incident" (1)(iii).
- A gas distribution system incident attributed to secondary ignition is NOT to be reported to PHMSA unless the damage to facilities subject to Parts 191 or 192 equals or exceeds \$50,000.

These considerations apply to several gas distribution system incident cause categories as indicated in pertinent sections of these instructions.

Form PHMSA F 7100.1 and these instructions can be found on <http://phmsa.dot.gov/pipeline/library/forms>. The applicable documents are listed in the section titled Accident/Incident/Annual Reporting Forms.



ONLINE REPORTING REQUIREMENTS

Incident Reports must be submitted online through the PHMSA Portal at <https://portal.phmsa.dot.gov/portal>, unless an alternate method is approved (see Alternate Reporting Methods below). You will not be able to submit reports until you have met all of the Portal registration requirements – see http://opsweb.phmsa.dot.gov/portal_message/PHMSA_Portal_Registration.pdf. Completing these registration requirements could take several weeks. Plan ahead and register well in advance of the report due date.

Use the following procedure for online reporting:

1. Go to the PHMSA Portal at <https://portal.phmsa.dot.gov/portal>
2. Enter PHMSA Portal Username and Password ; press *enter*
3. Select OPID; press “*continue*” button.
4. On the left side menu under “Incident/Accident (2010 to present)” select “**ODES 2.0**”
5. Under “**Create Reports**” on the left side of the screen, select “Gas Distribution” and proceed with entering your data.
6. Click “**Submit**” when finished with your data entry to have your report uploaded to PHMSA’s database as an official submission of an Incident Report; or click “**Save**” which doesn’t submit the report to PHMSA but stores it in a draft status to allow you to come back to complete your data entry and report submission at a later time. *Note: The “Save” feature will allow you to start a report and save a draft of it which you can print out and/or save as a PDF to email to colleagues in order to gather additional information and then come back to accurately complete your data entry before submitting it to PHMSA.*
7. Once you click “**Submit**”, the system will check if all applicable portions of the report have been completed. If portions are incomplete, a listing of these portions will appear above the row of Parts. If all applicable portions have been completed, the system will show your Saved Incident/Accident Reports in the top portion of the screen and your Submitted Incident/Accident Reports in the bottom portion of the screen. *Note: To confirm that your report was successfully submitted to PHMSA, look for it in the bottom portion of the screen where you can also view a PDF of what you submitted.*

Supplemental Report Filing – Follow Steps 1 through 4 above, and double-click a submitted report from the Submitted Incident/Accident Reports list. The report will default to a “Read Only” mode that is pre-populated with the data you submitted previously. To create a supplemental report, click on “Create Supplemental” found in the upper right corner of the screen. At this point, you can amend your data and make an official submission of the report to PHMSA as either a Supplemental Report or as a Supplemental Report *plus* Final Report (see

“Specific Instructions, PART A, Report Type”), or you can use the “Save” feature to create a draft of your Supplemental Report to be submitted at some future date.

Alternate Reporting Methods

Operators for whom electronic reporting imposes an undue burden and hardship may submit a written request for an alternate reporting method. Operators must follow the requirements in §191.7(d) to request an alternate reporting method and must comply with any conditions imposed as part of PHMSA’s approval of an alternate reporting method.

RETRACTING A 30-DAY WRITTEN REPORT

An operator who reports an incident in accordance with §191.9 (oftentimes referred to as a 30-day written report) and upon subsequent investigation determines that the event did not meet the criteria in §191.3 may request that their report be retracted. Requests to retract a 30-day written report are to be emailed to InformationResourcesManager@dot.gov. Requests are to include the following information:

- a. The Report ID (the unique 8-digit identifier assigned by PHMSA)
- b. Operator name
- c. PHMSA-issued OPID number
- d. The number assigned by the National Response Center (NRC) when an immediate notice was made in accordance with §191.5. If Supplemental Reports were made to the NRC for the event, list all NRC report numbers associated with the event.
- e. Date of the event
- f. Location of the event
- g. A brief statement as to why the report should be retracted.

Note: PHMSA no longer requests that operators rescind erroneously reported “Immediate Notices” filed with the NRC in accordance with §191.5 (oftentimes referred to as “Telephonic Reports”).

SPECIAL INSTRUCTIONS

All applicable data fields must be completed before an Original Report will be accepted. Your Original Report cannot be submitted online until the required information has been provided, although your partially completed report can be saved online so that you can return at a later time to provide the missing information.

1. An entry should be made in each applicable space or check box, unless otherwise directed by the section instructions.
2. If the data is unavailable, enter “Unknown” for text fields and leave numeric fields and fields using check boxes or “radio” buttons blank.

Instructions (rev 10-2014) for Form PHMSA F 7100.1 (rev 10-2014)
INCIDENT REPORT – GAS DISTRIBUTION SYSTEMS

3. Estimate data only if necessary. Provide an estimate in lieu of answering a question with “Unknown” or leaving the field blank. Estimates should be based on best-available information and reasonable effort.
4. For unknown or estimated data entries, the operator should file a Supplemental Report when additional or more accurate information becomes available.
5. If the question is not applicable, enter “N/A” for text fields and leave numeric fields and fields using check boxes or “radio” buttons blank. Do not enter zero unless this is the actual value being submitted for the data in question.
6. If **OTHER** is checked for any answer to a question, include an explanation or description in the text field provided, making it clear why “Other” was the necessary selection.
7. Pay close attention to each question for the phrase:
 - a. *(select all that apply)*
 - b. *(select only one)*If the phrase is not provided for a given question, then “select only one” applies. “Select only one” means that you should select the single, primary, or most applicable answer. **DO NOT SELECT MORE ANSWERS THAN REQUESTED.** “Select all that apply” requires that all applicable answers (one or more than one) be selected.
8. **Date format** = mm/dd/yyyy
9. **Time format:** All times are reported as a 24-hour clock:

Time format Examples:

- a. (0000) = midnight = /0/0/0/0/
- b. (0800) = 8:00 a.m. = /0/8/0/0/
- c. (1200) = Noon = /1/2/0/0/
- d. (1715) = 5:15 p.m. = /1/7/1/5/
- e. (2200) = 10:00 p.m. = /2/2/0/0/

Local time always refers to time at the site of the incident. Note that time zones at the incident site may be different than the time zone for the person discovering or reporting the event. For example, if a release occurs at an gas distribution system facility in Denver, Colorado at 2:00 pm MST, but a supervisor located in Houston is filing the report after having been notified at 3:00 pm CST, the time of the incident should be reported as 1400 hours based on the time in Denver, which is the physical site of the incident.

SPECIFIC INSTRUCTIONS

PART A – KEY REPORT INFORMATION

Report Type: (select all that apply)

Check the appropriate report box or boxes to indicate the type of report being filed. Depending on the descriptions below, the following combinations of boxes – and only one of these combinations - may be selected:

- Original Report only
- Original Report *plus* Final Report
- Supplemental Report only
- Supplemental Report *plus* Final Report

☐ **Original Report**

Select if this is the FIRST report filed for this incident and you expect that additional or updated information will be provided later.

☐ **Original Report** *plus* ☐ **Final Report**

Select **both** Original Report and Final Report if ALL of the information requested is known and can be provided at the time the initial report is filed, including final property damage costs and apparent failure cause information. If new, updated, and/or corrected information becomes available, you are still able to file a Supplemental Report.

☐ **Supplemental Report**

Select only if you have already filed an Original Report AND you are now providing new, updated, and/or corrected information. Multiple Supplemental Reports are to be submitted, as necessary, in order to provide new, updated, and/or corrected information ***when it becomes available*** and, per §191.9(b), each Supplemental Report containing new, updated, and/or corrected information is to be filed as soon as practicable. Submission of new, updated, and/or corrected information is NOT to be delayed in order to accumulate “enough” to “warrant” a Supplemental Report, or to complete a Final Report. ***Supplemental Reports must be filed as soon as practicable following the Operator’s awareness of new, updated, and/or corrected information.*** Failure to comply with these requirements can result in enforcement actions, including the assessment of civil penalties not to exceed \$100,000 for each violation for each day that such violation persists up to a maximum of \$1,000,000.

For Supplemental Reports filed online, all data previously submitted will automatically populate in the form. Page through the form to make edits and additions where needed.

☐ **Supplemental Report** *plus* ☐ **Final Report**

If an Original Report has already been filed AND new, updated, and/or corrected information is now being submitted via a Supplemental Report, AND the operator is reasonably certain that no further information will be forthcoming, then Final Report is to also be selected along with Supplemental Report. (See also the requirements stated above under “Supplemental Report”.)

In PART A, answer Questions 1 thru 17 by providing the requested information or by making- the appropriate selection.

1. Operator’s OPS -Issued Operator Identification Number (OPID)

For online entries, the OPID will automatically populate based on the selection you made when entering the Portal. If you have log-in credentials for multiple OPID, be sure the report is being created for the appropriate OPID. Contact PHMSA’s Information Resources Manager at 202-366-8075 if you need assistance with an OPID. Business hours are 8:30 AM to 5:00 PM Eastern Time.

2. Name of Operator

This is the company name associated with the OPID. For online entries, the name will automatically populate based on the OPID entered in A1. If the name that appears is not correct, you need to submit an Operator Name Change (Type A) Notification.

3. Address of Operator

For online entries, the headquarters address will automatically populate based on the OPID entered in A1. If the address that appears is not correct, you need to change it in the online Contacts module.

4. Local time (24-hour clock) and date of the Incident

Enter the earliest local date/time an incident reporting criteria was met. In some cases, this date/time must be estimated based on information gathered during the investigation.

See “Special Instructions”, numbers 8 and 9 for examples of **Date format** and **Time format** expressed as a 24-hour clock.

5. Location of Incident

- a. Provide the street address of the incident (enter “unknown” if no street address)
- b. Provide the name of the city where the incident occurred. If the incident did not occur within a municipality, select Not Within Municipality in the City field.
- c. Provide the name of the county or parish where the incident occurred.
- d. Enter the 2-digit state abbreviation where the incident occurred.
- e. Enter the zip code where the incident occurred.
- f. The latitude and longitude of the incident are to be reported as Decimal Degrees with a minimum of 5 decimal places (e.g. Lat: 38.89664; Long: -77.04327), using the NAD83 or WGS84 datums.

Instructions (rev 10-2014) for Form PHMSA F 7100.1 (rev 10-2014)
INCIDENT REPORT – GAS DISTRIBUTION SYSTEMS

If you have coordinates in degrees/minutes or degrees/minutes/seconds use the formula below to convert to decimal degrees:

$$\text{degrees} + (\text{minutes}/60) + (\text{seconds}/3600) = \text{decimal degrees}$$

$$\text{e.g. } 38^{\circ} 53' 47.904'' = 38 + (53/60) + (47.904/3600) = 38.89664^{\circ}$$

All locations in the United States will have a negative longitude coordinate, **which has already been included on the data entry form so that operators do not have to enter the negative sign.**

If you cannot locate the incident with a GPS or some other means, there are online tools that may assist you at <http://viewer.nationalmap.gov/viewer/>. Any questions regarding the required format, conversion, or how to use the tools noted above can be directed to Amy Nelson (202-493-0591 or amy.nelson@dot.gov).

6. National Response Center (NRC) Report Number

§191.5 requires that incidents meeting the criteria outlined in §191.3 be reported directly to the **24-hour National Response Center (NRC) at 1-800-424-8802** at the earliest practicable moment (generally within 2 hours). The NRC assigns numbers to each call. The number assigned to that Immediate Notice (sometimes referred to as the “Telephonic Report”) is to be entered in Question 6. When there is more than one NRC report for the incident, enter the first report in this field and remaining NRC report numbers in Part H – Narrative. If a NRC report was not made, select the option that best describes why: NRC Notification Not Required, NRC Notification Required But Not Made, Do Not Know NRC Report Number.

7. Local time (24-hr clock) and date of initial telephonic report to the National Response Center

Enter the time and date of the initial Immediate Notice of incident to the NRC. The time is to be shown by 24-hour clock notation, and is to reflect the time in the time zone where the incident was physically located. (See “Special Instructions”, numbers 8 and 9.)

8. Incident resulted from

Indicate whether the incident resulted from intentional or unintentional release of gas or from reasons other than release of gas.

9. Gas released:

Select the type of gas released. An example of **Synthetic Gas** is manufactured gas based on naphtha. **Landfill Gas** includes biogas.

10. Estimated volume of gas released

Estimate the amount of gas that was released (in thousands of standard cubic feet, MCF) from the beginning of the incident until such time as gas is no longer being released from the gas distribution system or until intentional and controlled blowdown has commenced. Estimates are

to be based on best-available information. *Important Note: Volumes consumed by fire and/or explosion are to be included in the estimated volume reported.*

11. Were there fatalities?

If a person dies at the time of the incident or within 30 days of the initial incident date due to injuries sustained as a result of the incident, report as a fatality. If a person dies subsequent to an injury more than 30 days past the incident date, report as an injury. (Note: This aligns with the Department of Transportation's general guidelines for all jurisdictional modes for reporting deaths and injuries.)

Contractor employees working for the operator are individuals hired to work for or on behalf of the operator of the gas distribution system. These individuals are not to be reported as "Operator employees".

Non-Operator emergency responders are individuals responding to render professional aid at the incident scene including on-duty and volunteer fire fighters, rescue workers, EMTs, police officers, etc. "Good Samaritans" that stop to assist are to be reported as "General public."

Workers Working on the Right of Way, but NOT Associated with this Operator means people authorized to work in or near the right-of-way, but not hired by or working on behalf of the operator of the gas distribution system. This includes all work conducted within the right-of-way including work associated with other underground facilities sharing the right-of-way, building/road construction in or across the right-of-way, or farming. This category most often includes employees of other underground facilities operators, or their contractors, working in or near a shared right-of-way. For distribution pipelines not located in a defined right-of-way, this category should be left blank.

12. Were there injuries requiring inpatient hospitalization?

Injuries requiring inpatient hospitalization are injuries sustained as a result of the incident and requiring hospital admission *and* at least one overnight stay.

See Question 11 for additional definitions that apply.

13. Was the pipeline/facility shut down due to the Incident?

Report any shutdowns that occur as a result of the incident, including but not limited to those required for damage assessment, temporary repair, permanent repair, and clean-up.

If No is selected, explain the reason that no shutdown was needed in the space provided.

If Yes is selected, complete questions 13.a and 13.b.

13.a. Local time (24hr clock) and date of shutdown

13.b. Local time pipeline/facility restarted

The time is to be shown by 24-hour clock notation, and is to reflect the time in the time zone where the incident was physically located. (See “Special Instructions”, numbers 9 and 10.) Enter the time and date of the shutdown that is associated with the onset or occurrence of the incident in 13.a and the time and date of restart in 13.b. The intent with this data is to capture the total time that the gas distribution system or facility is shutdown due to the incident. If the gas distribution system or facility has not been restarted at the time of reporting, select “Still shut down” for Question 13.b and then include the restart time and date in a future Supplemental Report.

14. Did the Gas Ignite?

Ignite means the released gas caught fire.

15. Did the Gas Explode?

Explode means the ignition of the released gas occurred with a sudden and violent release of energy.

16. Number of general public evacuated

The number of people evacuated is to be estimated based on operator knowledge, or police, fire department, or other emergency responder reports. If there was no evacuation involving the general public, report zero (0). If an estimate is not possible for some reason, leave the field blank but include an explanation of why it was not possible to provide a number in PART H – Narrative Description of the Incident.

17. Time sequence (use local time, 24-hour clock)

In 17a, enter the date/time the operator became aware of the failure. The earliest date/time that an incident reporting criteria was met is reported in item A4. In some cases, the operator may become aware of a failure before an incident reporting criteria is met. In other cases, one or more incident reporting criteria may be met before the operator becomes aware of the failure. In 17b, enter the date/time operator responders, company or contract, arrived on site. These times are to be shown by 24-hour clock notation and reported in the time in the time zone where the incident occurred. (See “Special Instructions”, numbers 8 and 9 and 10.) PHMSA will use this data to calculate incident response times.

PART B – ADDITIONAL LOCATION INFORMATION

1. Was the incident on Federal Land?

Federal Lands means all lands the United States owns, including military reservations, except lands in National Parks and lands held in trust for Native Americans. Incidents at Federal

buildings, such as Federal Court Houses, Custom Houses, and other Federal office buildings and warehouses, are NOT to be reported as being on Federal Lands.

2. Location of incident

Operator-controlled property would normally apply to an operator's facility, which may or may not have controlled access, but which is oftentimes fenced or otherwise marked with discernible boundaries. This "operator-controlled property" does not refer to the pipeline right-of-way/easement, which is a separate choice for this question.

3. Area of incident

This refers to the location on the gas distribution system at which gas was released, resulting in the incident. It does not refer to adjacent locations in which released gas may have accumulated or ignited.

Underground means pipe, components, or other facilities installed below the natural ground level, road bed, or below the underwater natural bottom.

Under pavement includes under streets, sidewalks, paved roads, driveways, and parking lots.

Exposed due to Excavation means that a normally buried facility had been exposed by any party (operator, operator's contractor, or third party) preparatory to or as a result of excavation. The cause of the release, however, may or may not necessarily be related to excavation damage. This category could include a corrosion leak not previously evidenced by stained vegetation, but found during excavation, or a release caused by a non-excavation vehicle where contact happened to occur while the facility was exposed for excavation repair or examination. Natural forces might also damage a facility that happened to be temporarily exposed. In each case, the cause is to be appropriately reported in PART G of this form.

Aboveground means pipe, components, or other facilities that are above the natural grade.

Typical aboveground facility piping includes any pipe or components installed aboveground such as those at regulating stations or valve sites.

Transition area means the junction of differing material or media between pipes, components, or facilities such as those installed at a belowground-aboveground junction (soil/air interface), another environmental interface, or in close contact to supporting elements such as those at water crossings and meter stations.

4. Did Incident occur in a crossing?

Use **Bridge Crossing** if the pipeline is suspended above a body of water or roadways, railroad right-of-way, etc. either on a separately designed pipeline bridge or as a part of or connected to a road, railroad, or passenger bridge.

Use **Railroad Crossing** or **Road Crossing**, as appropriate, if the pipeline is buried beneath rail bed or road bed.

Use **Water Crossing** if the pipeline is in the water, beneath the water, in contact with the natural ground of the lake bed, etc., or buried beneath the bed of a lake, reservoir, stream, or creek, whether the crossing happens to be flowing water at the time of the incident or not.. The name of the body of water is to be provided if it is commonly known and understood among the local population. (The purpose of this information is to allow persons familiar with the area in which the incident occurred to identify the location and understand it in its local context. Research to identify names that are not commonly used is not necessary since such names would not fulfill the intended purpose. If a body of water does not have a name that is commonly used and understood in the local area, this field may be left blank).

For **Approximate Water Depth (ft)** of the lake, reservoir, etc., estimate the typical water depth at the location and time of the incident, ignoring seasonal, weather-related, and other factors which may affect the water depth from time to time.

PART C – ADDITIONAL FACILITY INFORMATION

1. Indicate the type of pipeline system:

Designate the type of gas distribution system on which the incident occurred.

2. Part of system involved in Incident

This should be the part of the system principally involved in the incident, from which gas was released resulting in reportable consequences. If the failure occurred on an item not provided in this section, select “Other” and specify in the space provided the item involved in the incident.

3. When “Main” or “Service” is selected as the “Part of system involved in incident,” (from PART C, Question 2), provide the following:

Nominal diameter of pipe is also called **Nominal pipe size**. It is the diameter in whole number inches (except for pipe less than 4”) used to describe the pipe size; for example, 8-5/8 pipe has a nominal pipe size of 8”. Decimals are unnecessary for this measure (except for pipe less than 4”).

Pipe Specification is the specification to which the pipe or component was manufactured, such as API 5L or ASTM A106.

4. Material involved in incident:

Identify the type of material involved and provide additional information as indicated.

5. Type of release involved:

Mechanical puncture means a puncture of the facility, typically by a piece of equipment such as would occur if the facility were pierced by directional drilling or a backhoe bucket tooth. Not all excavation-related damage will be a “mechanical puncture.” (Precise measurement of size – e.g., micrometer – is not needed. Approximate measurements can be provided in inches and one decimal.)

Leak means a failure resulting in an unintentional release of gas that is often small in size, usually resulting a low flow release of low volume, although large volume leaks can and do occur on occasion.

Rupture means a loss of containment that immediately impairs the operation of the gas distribution system or facility. Facility ruptures often result in a higher flow release of larger volume. The terms “circumferential” and “longitudinal” refer to the general direction or orientation of the rupture relative the pipe’s axis. They do not exclusively refer to a failure involving a circumferential weld such as a girth weld, or to a failure involving a longitudinal weld such as a pipe seam. (Precise measurement of size – e.g., micrometer – is not needed. Approximate measurements can be provided in inches and decimals.)

PART D – ADDITIONAL CONSEQUENCE INFORMATION

2. Estimated Property Damage

All relevant costs available at the time of submission must be included in the initial written Incident Report as well as being updated as needed on Supplemental Reports. This includes (but is not limited to) costs due to property damage to the operator’s facilities and to the property of others, facility repair and replacement, gas distribution service restoration and relighting, leak locating, and environmental cleanup and damage. Do NOT include cost of gas lost. Additionally, do NOT include costs incurred for facility repair, replacement, or changes that are NOT related to the incident and which are typically done solely for convenience. An example of doing work solely for convenience is working on non-leaking facilities unearthed because of the incident. Litigation and other legal expenses related to the incident are not reportable.

Operators are to report costs based on the best estimate available at the time a report is submitted. It is likely that an estimate of final repair costs may not be available when the initial report must be submitted (30 days, per §191.9). The best available estimate of these costs is to be included in the initial report. For convenience, this estimate can be revised, if needed, when Supplemental Reports are filed for other reasons, however, when no other changes are forthcoming, Supplemental Reports are to be filed as new cost information becomes available. If Supplemental Reports are not submitted for other reasons, a Supplemental Report is to be filed for the purpose of updating or correcting the estimated cost if these costs differ from those already reported by 20 percent or \$20,000, whichever is greater.

Public and non-operator private property damage estimates generally include physical damage to the property of others, the cost of investigation and remediation of a site not owned or operated by the Company, laboratory costs, third party expenses such as engineers or scientists, and other reasonable costs, excluding litigation and other legal expenses related to the incident.

Operator's property damage estimates generally include physical damage to the property of Operator or Owner Company such as the estimated installed value of the damaged pipe, coating, component, materials, or equipment due to the incident, excluding the cost of any gas lost. Also to be excluded are litigation and other legal expenses related to the incident.

When estimating the **Cost of repairs** to company facilities, the standard shall be the cost necessary to safely restore property to its predefined level of service. Property damage estimates include the cost to access, excavate, and repair the facility using methods, materials, and labor necessary to re-establish operations at a predetermined level. These costs may include the cost of repair sleeves or clamps, re-routing of piping, or the removal from service of an appurtenance or facility component. When more comprehensive repairs or improvements are justified but not required for continued operation, the cost of such repairs or replacement is not attributable to the incident. Costs associated with improvements to the gas distribution system to mitigate the risk of future failures are not included.

Estimated cost of **Operator's emergency response** includes emergency response operations necessary to return the incident site to a safe state, actions to minimize the volume of gas released, conduct reconnaissance, and to identify the extent of incident impacts. They include materials, supplies, labor, and benefits. Costs related to stakeholder outreach, media response, etc. are not to be included.

Other costs are to include any and all costs which are not included above. Cost of any gas lost is NOT to be reported here, but is to be reported under **Cost of Gas Released**. Operators are to NOT use this category to report any costs which belong in cost categories separately listed above.

Costs are to be reported in only one category and are not to be double-counted. Costs can be split between two or more categories when they overlap more than one reporting category.

Cost of Gas Released

Cost of gas released is to be based on the volume reported in PART A, Question 10.

3. Estimated number of customers out of service:

Count number of individual services in each category that were affected, not number of persons served.

PART E – ADDITIONAL OPERATING INFORMATION

2. Normal operating pressure at point and time of the incident (psig)

If the normal operating pressure of a distribution system varies throughout the year (e.g., seasonally), report the normal operating pressure at the time the incident occurred.

5. Was a Supervisory Control and Data Acquisition (SCADA)-based system in place on the pipeline or facility involved in the incident?

This does not mean a system designed or used exclusively for leak detection.

5.a. Was it operating at the time of the Incident?

Was the SCADA system in operation at the time of the incident?

5.b. Was it fully functional at the time of the Incident?

Was the SCADA system capable of performing all of its functions, whether or not it was actually in operation at the time of the incident? If no, describe functions that were not operational in PART H – Narrative Description of the Incident.

5.c and d. Did SCADA-based information (such as alarm(s), alert(s), event(s), and/or volume or pack calculations) assist with the detection or confirmation of the Incident?

Select Yes if SCADA-based information was used to confirm the incident even if the initial report or identification may have come from other sources. Use of SCADA data for subsequent estimation of amount of gas lost, etc. is not considered use to confirm the incident.

Select No if SCADA-based information was not used to assist with identification of the incident.

6. How was the Incident initially identified for the Operator? (*select only one*)

Controller means a qualified individual whose function within a shift is to remotely monitor and/or control the operations of entire or multiple sections of distribution pipelines or systems via a SCADA system from a control room, and who has operational authority and accountability for the daily remote operational functions of gas distribution systems.

Local Operating Personnel including contractors means employees or contractors working on behalf of the operator outside the control room.

7. Was an investigation initiated into whether or not the controller(s) or control room issues were the cause of or a contributing factor to the Incident?

Select only one of the choices to indicate whether an investigation was/is being conducted (Yes) or was not conducted (No). If an investigation has been completed, select all the factors that apply in describing the results of the investigation.

Cause means an action or lack of action that directly resulted in the gas distribution system incident.

Contributing factor means an action or lack of action that when added to the existing circumstances heightened the likelihood of the release or added to the impact of the release.

Controller Error means that the controller failed to identify a circumstance indicative of a release event, such as an abnormal operating condition, alarm, pressure drop, change in flow rate, or other similar event.

Incorrect Controller action means that the controller errantly operated the means for controlling an event. Examples include opening or closing the wrong valve, or hitting the wrong switch or button.

PART F – DRUG & ALCOHOL TESTING INFORMATION

Requirements for post-accident drug and alcohol tests are in 49 CFR §199.105 and §199.225 respectively. If the incident circumstances were such that tests were not required by these sections, and if no tests were conducted, select No. If tests were administered, select Yes and report separately the number of operator employees and contractors working for the operator who were tested and the number of each that failed such tests.

PART G – APPARENT CAUSE

PART G – Apparent Cause

Select the one, single sub-cause listed under sections G1 thru G8 that best describes the apparent cause of the Incident. These sub-causes are contained in the shaded column on the left under each main cause category. Answer the corresponding questions that accompany your selected sub-cause, and describe any secondary, contributing, or root causes of the Incident in PART H – Narrative Description of the Incident.

G1 – Corrosion Failure

Corrosion includes a release or failure caused by galvanic, atmospheric, stray current, microbiological, or other corrosive action. A corrosion release or failure is not limited to a hole in the pipe or other piece of equipment. If the bonnet or packing gland on a valve or flange on piping deteriorates or becomes loose and leaks due to corrosion and failure of bolts, it is classified as Corrosion. (Note: If the bonnet, packing, or other gasket has deteriorated to failure, whether before or after the end of its expected life, but not due to corrosive action, report it under a different cause category, such as G7 Incorrect Operation for improper installation or G6 - Equipment Failure if the gasket failed.)

External Corrosion

4.a. Under cathodic protection means cathodic protection in accordance with §192.455, §192.457, and §192.463. Recognizing that older facilities may have had cathodic protection added over a number of years, provide an estimate if exact year cathodic protection started is unknown.

Internal Corrosion

10. Location of corrosion

A **low point in pipe** includes portions of the pipe contour in which water might settle out. This includes, but is not limited to, the low point of vertical bends at a crossing of a foreign line or road/railroad, etc., an elbow, a drop out or low point drain.

11. Was the gas/fluid treated with corrosion inhibitors or biocides?

Select Yes if corrosion inhibitors or biocides were included in the gas/fluid transported.

Either External or Internal Corrosion

14. Has one or more hydrotest or other pressure test been conducted since original construction at the point of the Incident?

Information from the initial post-construction hydrostatic test is not to be reported.

G2 – Natural Force Damage

Natural Force Damage includes a release or failure resulting from earth movement, earthquakes, landslides, subsidence, lightning, heavy rains/floods, washouts, flotation, mudslide, scouring, temperature, frost heave, frozen components, high winds, or similar natural causes.

Earth Movement NOT due to Heavy Rains/Floods refers to incidents caused by land shifts such as earthquakes, landslides, or subsidence, but not mudslides which are presumed to be initiated by heavy rains or floods.

Heavy Rains/Floods refer to all water-related natural force causes. While mudslides involve earth movement, report them here since typically they are an effect of heavy rains or floods.

Lightning includes both damage and/or fire caused by a direct lightning strike and damage and/or fire as a secondary effect from a lightning strike in the area. An example of such a secondary effect would be a forest fire started by lightning that results in damage to a gas distribution system asset which results in an incident. (See also the discussion of “secondary ignition” under the *General Instructions*.)

Temperature includes weather-related temperature and thermal stress effects, either heat or cold, where temperature was the initiating cause.

Thermal stress refers to mechanical stress induced in a pipe or component when some or all of its parts are not free to expand or contract in response to changes in temperature.

Frozen components would include incidents where components are inoperable because of freezing and those due to cracking of a piece of equipment due to expansion of water during a freeze cycle.

High Winds includes damage caused by wind induced forces. Select this category if the damage is due to the force of the wind itself. Damage caused by impact from objects blown by wind are to be reported under section G4 - Other Outside Force Damage.

Other Natural Force Damage. Select this sub-cause for types of Natural Force Damage not included otherwise, and describe in the space provided. If necessary, provide additional explanation in PART H – Narrative Description of the Incident.

Answer Questions 6 and 6.a if the incident occurred in conjunction with an extreme weather event such as a hurricane, tropical storm, or tornado. If an extreme weather event related to something other than a hurricane, tropical storm, or tornado was involved, indicate Other and describe the event in the space provided.

G3 – Excavation Damage

Excavation Damage includes a release or failure resulting directly from excavation damage by operator's personnel (oftentimes referred to as "first party" excavation damage) or by the operator's contractor (oftentimes referred to as "second party" excavation damage) or by people or contractors not associated with the operator (oftentimes referred to as "third party" excavation damage). Also, this section includes a release or failure determined to have resulted from previous damage due to excavation activity. For damage from outside forces OTHER than excavation which results in a release, use G2 - Natural Force Damage or G4 - Other Outside Force, as appropriate. Also, for a strike, physical contact, or other damage to a gas distribution system or facility that apparently was NOT related to excavation and that results in a delayed or eventual release, report the incident under G4 as "Previous Mechanical Damage NOT related to Excavation."

Excavation Damage by Operator (First Party) refers to incidents caused as a result of excavation by a direct employee of the operator.

Excavation Damage by Operator's Contractor (Second Party) refers to incidents caused as a result of excavation by the operator's contractor or agent or other party working for the operator.

Excavation Damage by Third Party refers to incidents caused by excavation damage resulting from actions by personnel or other third parties not working for or acting on behalf of the operator or its agent.

Previous Damage due to Excavation Activity refers to incidents that were apparently caused by prior excavation activity and that then resulted in a delayed or eventual release. Indications of prior excavation activity might come from the condition of the pipe when it is examined, or from records of excavation at the site, or through metallurgical analysis or other inspection and/or testing methods. Dents and gouges in the 10:00-to-2:00 o'clock positions on the pipe, for instance, may indicate an earlier strike, as might marks from the bucket or tracks of an earth moving machine or similar pieces of equipment.

2. Has one or more pressure test been conducted since original construction at the point of the incident?

Information from the initial post-construction hydrostatic test is not to be reported.

4. – 14. Complete these questions for any excavation damage sub-cause. Instructions for answering these questions can be found at CGA's web site, <https://www.damagereporting.org/dr/control/userGuide.do>.

G4 – Other Outside Force Damage

Other Outside Force Damage includes, but are not limited to, a release or failure resulting from non-excavation-related outside forces, such as nearby industrial, man-made, or other fire or explosion; damage by vehicles or other equipment; failures due to mechanical damage; and, intentional damage including vandalism and terrorism.

Nearby Industrial, Man-made or Other Fire/Explosion as Primary Cause of Incident applies to situations where the fire occurred before - and *caused* - the release. (See also the discussion of "secondary ignition" under the *General Instructions*.) Examples of such an incident would be an explosion or fire that originated at a house or neighboring installation (chemical plant, tank farm, or other industrial facility) or structure, debris, or brush/trees that results in a release at the operator's gas distribution system or facility. This includes forest, brush, or ground fires that are caused by human activity. If the fire, however, is known to have been started as a result of a lightning strike, the incident's cause is to be classified under G2 - Natural Force Damage. Arson events directed at harming the gas distribution system or the operator are to be reported as G4 - Intentional Damage (see below). This sub-cause is NOT to be used if the release occurred first and then the gas released from the gas distribution system or facility ignited.

Damage by Car, Truck, or Other Motorized Vehicle/Equipment NOT Engaged in Excavation. An example of this sub-cause would be damage to a meter set caused by vehicle impact. Other motorized vehicles or equipment include tractors, backhoes, bulldozers and other tracked vehicles, and heavy equipment that can move. Include under this sub-cause incidents caused by vehicles operated by the gas distribution system operator, the gas distribution system's contractor, or a third party and specify the vehicle/equipment operator's affiliation from one of these three groups. Gas distribution system incidents resulting from vehicular traffic loading or other contact are to also be reported in this category. If the activity that caused the incident

involved digging, drilling, boring, grading, cultivation, or similar excavation activities, report under G3 - Excavation Damage.

Damage by Boats, Barges, Drilling Rigs, or Other Maritime Equipment or Vessels Set Adrift or Which Have Otherwise Lost Their Mooring. This sub-cause includes impacts by maritime equipment or vessels (including their anchors or anchor chains or other attached equipment) that have lost their moorings and are carried into the gas distribution system or facility by the current. This sub-cause also includes maritime equipment or vessels set adrift as a result of severe weather events and carried into the gas distribution system or facility by waves, currents, or high winds. In such cases, also indicate the type of severe weather event. Do NOT report in this sub-cause incidents which are caused by impact of maritime equipment or vessels while they are engaged in their normal or routine activities; such incidents are to be reported as “Routine or Normal Fishing or Other Maritime Activity NOT Engaged in Excavation” under this section G4 (see below) so long as those activities are not excavation activities. If those activities are excavation activities such as dredging or bank stabilization or renewal, the incident is to be reported under G3 - Excavation Damage.

Routine or Normal Fishing or Other Maritime Activity NOT Engaged in Excavation. This sub-cause includes incidents due to shrimping, purseining, oil drilling, or oilfield workover rigs, including anchor strikes, and other routine or normal maritime-related activities UNLESS the movement of the maritime asset was inadvertent and due to a severe weather event (this type of incident is to be reported under “Damage by Boats, Barges, Drilling Rigs, or Other Maritime Equipment or Vessels Set Adrift or Which Have Otherwise Lost Their Mooring” in this section G4); or, the incident was caused by excavation activity such as dredging of waterways or bodies of water (this type of incident is to be reported under G3 - Excavation Damage”).

Electrical Arcing from Other Equipment or Facility such as a pole transformer or adjacent facility’s electrical equipment.

Previous Mechanical Damage NOT Related to Excavation. This sub-cause covers incidents where damage occurred at some time prior to the release that was apparently NOT related to excavation activities, and would include prior outside force damage of an unknown nature, prior natural force damage, prior damage from other outside forces, and any other previous mechanical damage other than that which was apparently related to prior excavation. Incidents resulting from previous damage sustained during construction, installation, or fabrication of the pipe, weld, or joint from which the release eventually occurred are to be reported under G5 – Pipe, Weld, or Joint Failure. (See this sub-cause for typical indications of previous construction, installation, or fabrication damage.) Incidents resulting from previous damage sustained as a result of excavation activities should be reported under G3 – Previous Damage due to Excavation Activity. (See this sub-cause for typical indications of prior excavation activity.)

Intentional Damage

Vandalism means willful or malicious destruction of the operator’s gas distribution system or facility or equipment. This category would include arson, pranks, systematic damage inflicted to harass the operator, motor vehicle damage that was

inflicted intentionally, and a variety of other intentional acts. (See also the discussion of “secondary ignition” under the *General Instructions*.)

Terrorism, per 28 CFR §0.85 General Functions, includes the unlawful use of force and violence against persons or property to intimidate or coerce a government, the civilian population, or any segment thereof, in furtherance of political or social objectives. Operators selecting this item are encouraged to also notify the FBI.

Theft of commodity or Theft of equipment means damage by any individual or entity, by any mechanism, specifically to steal, or attempt to steal, the transported gas or gas distribution system equipment.

Other Describe in the space provided and, if necessary, provide additional explanation in PART H – Narrative Description of the Incident.

Other Outside Force Damage. Select this sub-cause for types of Other Outside Force Damage not included otherwise, and describe in the space provided. If necessary, provide additional explanation in PART H – Narrative Description of the Incident.

G5 – Pipe, Weld, or Joint Failure

Use this section to report failures only for main or service pipe, or welds, joints, or connections joining main pipe or service pipe.

This section includes releases in or failures of main or service pipe, or welds, joints, or connections joining main pipe or service pipe due to material defect, design defect, , or in-service stresses such as vibration, fatigue, and environmental cracking.

Mechanical Fitting, Question 7, Manufacturer Compression Fitting, Question 14, Manufacturer

Operators should take care in identifying the manufacturer. Some types of fittings are commonly referred to as “Dresser fittings” (for example) even though the particular fitting may have been manufactured by a different company. Operators should report here the company that actually manufactured the involved fitting.

Fitting means a device, usually metal, for joining lengths of pipe into various piping systems. It includes couplings, ells, tees, crosses, reducers, unions, caps and plugs.

Material defect means an inherent flaw in the material or weld that occurred in the manufacture or at a point prior to construction, fabrication or installation.

Design defect means an aspect inherent in a component to which a subsequent failure has been attributed that is not associated with errors in installation, i.e., is not a construction defect. This could include, for example, errors in engineering design.

14. Has one or more hydrotest or other pressure test been conducted since original construction at the point of the Incident?

Information from the initial post-construction hydrostatic test is not to be reported. Records of test pressure from past pressure tests may not be available. In such cases, the operator is to estimate the test pressure using best available information.

G6 – Equipment Failure

This section applies to failures of items other than main or service pipe, or welds, joints, or connections joining main pipe or service pipe.

Equipment Failure includes a release or failure resulting from: malfunction of control/relief equipment including valves, regulators, or other instrumentation; failures of compressors, or compressor-related equipment; failures of various types of connectors, connections, and appurtenances; failures of the body of equipment, vessel plate, or other material (including those caused by construction, material, or design defects or anomalies); and, all other equipment-related failures.

Malfunction of Control/Relief Equipment. Examples of this type of incident cause include: overpressurization resulting from malfunction of control or alarm device; malfunction of relief valve; valves failing to open or close on command; or valves which opened or closed when not commanded to do so. If overpressurization or some other aspect of this incident was caused by incorrect operation, the incident is to be reported under G7 - Incorrect Operation.

ESD System Failure means failure of an emergency shutdown system.

Other Equipment Failure. Select this sub-cause for types of Equipment Failure not included otherwise, and describe in the space provided. If necessary, provide additional explanation in PART H – Narrative Description of the Incident.

G7 – Incorrect Operation

Incorrect Operation includes a release or failure resulting from operating, maintenance, repair, or other errors by facility personnel, including, but not limited to, improper valve selection or operation, inadvertent overpressurization, improper selection of procedures, incorrect installation of equipment, and failure to follow manufacturer instructions.

Other Incorrect Operation. Select this sub-cause for types of Incorrect Operation not included otherwise, and describe in the space provided. If necessary, provide additional explanation in PART H – Narrative Description of the Incident.

G8 – Other Incident Cause

This section is provided for incidents whose cause is currently unknown, or where investigation into the cause has been exhausted and the final judgment as to the cause remains unknown, or where a cause has been determined which does not fit into any of the main cause categories listed in sections G1 thru G7.

If the incident cause is known but doesn't fit in any category in sections G1 through G7, select **Miscellaneous** and enter a description of the incident cause, continuing with a more thorough explanation in PART H - Narrative Description of the Incident.

If the incident cause is unknown at time of filing this report, select **Unknown** in this section and select one reason from the accompanying two choices. Once the operator's investigation into the incident cause is completed, the operator is to file a Supplemental Report as soon as practicable either reporting the apparent cause or stating definitively that the cause remains Unknown, along with any other new, updated, and/or corrected information pertaining to the incident. This Supplemental Report is to include all new, updated, and/or corrected information pertaining to *all* portions of the report form known at this time, and not only that information related to the apparent cause.

Important Note: Whether the investigation is completed or not, or if the cause continues to be unknown, Supplemental Reports are to be filed reflecting new, updated, and/or corrected information *as and when this information becomes available*. In those cases in which investigations are ongoing for an extended period of time, operators are to file a Supplemental Report within one year of their last report for the incident even in those instances where no new, updated, and/or corrected information has been obtained, with an explanation that the cause remains under investigation in PART H – Narrative Description of the Incident. Additionally, final determination of the apparent cause and/or closure of the investigation does NOT preclude the need for the operator's filing of additional Supplemental Reports as and when new, updated, and/or corrected information becomes available.

PART H – NARRATIVE DESCRIPTION OF THE INCIDENT

Concisely describe the incident, including the facts, circumstances, and conditions that may have contributed directly or indirectly to causing the incident. Include secondary, contributing, or root causes when possible, or any other factors associated with the cause that are deemed pertinent. Use this section to clarify or explain unusual conditions, to provide sketches or drawings, and to explain any estimated data. Operators submitting reports on-line will be afforded the opportunity to attach/upload files (in PDF or JPG format only) containing sketches, drawings, or additional data.

If you selected Miscellaneous in section G8, the narrative is to describe the incident in detail, including all known or suspected causes and possible contributing factors.

PART I – PREPARER AND AUTHORIZED SIGNATURE

The Preparer is the person who compiled the data and prepared the responses to the report and who is to be contacted for more information (preferably the person most knowledgeable about the information in the report or who knows how to contact the person or persons most knowledgeable). Enter the Preparer's e-mail address if the Preparer has one, and the phone and fax numbers used by the Preparer.

The Authorized Signer is responsible for assuring the accuracy and completeness of the reported data. In addition to their title, a phone number and email address are to be provided for the Authorized Signer.

Allyson Honaker

From: Bill Osborne <bosborne@carrolltonutilities.com>
Sent: Monday, November 30, 2015 3:19 PM
To: Allyson Honaker
Cc: 'Jason R. Brangers'; gejlaw@bellsouth.net
Subject: FW: Clarification

I suggest you start at the bottom and read to the top.....

-----Original Message-----

From: Chris.Taylor@dot.gov [mailto:Chris.Taylor@dot.gov]
Sent: Tuesday, November 10, 2015 4:01 PM
To: bosborne@carrolltonutilities.com
Subject: RE: Clarification

Good afternoon Bill,

Please see my responses below.

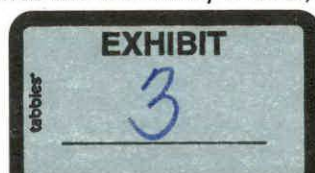
1. You are essentially correct. Once you submit a 30 day report and realize after submission the event did not meet the reportable criteria, you do not have to retract the report. However, you are encouraged to retract the 30-day report because this "bad info" actually corrupts the data that PHMSA Data Quality staff collect, and use for risk modeling and analyses. The PHMSA Data Quality Staff review all 30-day reports and advise the state regulatory authorities to contact the LDCs to revise the "questionable" 30-day reports - usually due to inconsistencies within the report.

2a. Your comment before the question suggests the operator has a choice to rescind the Telephonic Report. There is no option to rescind a telephonic report; it cannot be done. If you realize the event is not reportable after calling the NRC, advise the regulatory authority (PSC) that a 30-day report would not be forthcoming because they will be expecting one - especially if there is no ongoing communication (between operator and PSC, say) regarding the investigation and release cause. Just a courtesy but not in the regulations.

3. Scenario: If the damages to the operator's pipeline facilities, i.e. meter, upstream piping, etc. and/or the release of gas result in one or more of the consequences in 191.3 (incident definition), then this is a reportable secondary ignition event.

-Chris

1. Retracting a 30 day written report - the report instructions indicate an operator may request a retraction. Since the word may is used,



am I correct that there is no requirement to retract a report that doesn't meet the criteria of 191.3 and the decision to make such a request is strictly up to the operator?

2. Rescinding a "Telephonic Report" - the note in the instructions states that "PHMSA no longer requests that operators rescind erroneously reported "Immediate Notices" filed with NRC in accordance with 191.5" - I want to make sure I interpret this correctly, so here is my question.

a. In cases of erroneous "immediate notification" --- Am I correct that the operator doesn't have to rescind the notice and should not file the written report. In other words, no action is required on the part of an operator after an erroneous "immediate notification"?

3. Secondary ignition - To clarify my understanding of this, please tell me if this scenario meets definition of secondary ignition. A homeowner's natural gas appliance or other customer owned piping beyond the meter fails and causes a fire or explosion which in turns damages an operators meter causing a release of gas.

Thanks

Bill

From: Chris.Taylor@dot.gov [mailto:Chris.Taylor@dot.gov]
Sent: Thursday, November 05, 2015 4:01 PM
To: bosborne@carrolltonutilities.com
Subject: RE: Clarification

Good afternoon Bill,

Sorry about the late response. All of your questions are answered in the Instructions for Form PHMSA F 7100.1 (Rev. 10-2014), linked below. Let me know if you have difficulty opening the document.

. 1 through 3 of your questions: See page 3 of the 30-day report instructions under the Retracting A 30-Day Written Report heading

. Regarding guidance for fire-first events, see page 1 of the instruction under the General Instructions heading (bulleted items)

Click to link below to open up the 30-day report instructions.

Instructions for form PHMSA F 7100.1 (Rev.

10-2014)<[http://www.phmsa.dot.gov/pv_obj_cache/pv_obj_id_88E27601D9EC169F627EF6A3C4CE519CBCBB0200/filename/GD_Incident_Instructions_PHMSA_F_7100.1_\(rev10_2014\).pdf](http://www.phmsa.dot.gov/pv_obj_cache/pv_obj_id_88E27601D9EC169F627EF6A3C4CE519CBCBB0200/filename/GD_Incident_Instructions_PHMSA_F_7100.1_(rev10_2014).pdf)>

If I need to clarify anything or if you have any other questions or concerns, please do not hesitate to call or email me. Thank you.

-Chris

From: Bill Osborne [mailto:bosborne@carrolltonutilities.com]
Sent: Thursday, November 05, 2015 12:58 PM

To: Taylor, Chris (PHMSA)
Subject: Clarification

Chris

Could you clarify some questions we have regarding Incident reporting?

191.5 requires telephonic notice be given to the NRC at the earliest practicable moment following discovery of an incident. If an event is reported to NRC (who in turn notifies PHMSA) and it later becomes evident that the event was not reportable because it did not meet the definition of an Incident as defined in 191.3, is the operator required to:

1. Retract the telephonic notice from the NRC?
2. Notify PHMSA that the event was determined to be non-reportable?
3. Submit the 7100.1 Incident Report Form or file a 30-day report?

Also, can you provide any written opinions or guidance on what constitutes an incident since the change in incident definition occurred in 2010 as it relates to a secondary ignition (i.e. fire-first) type event?

Thanks

Bill R. Osborne, P.E.
General Manager
Carrollton Utilities
P.O. Box 269
Carrollton, Kentucky 41008
502-732-7055
Direct 502-732-1215