



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
PUBLIC SERVICE COMMISSION

ORLENE HAWKS
DIRECTOR

SALLY A. TALBERG
CHAIRMAN

NORMAN J. SAARI
COMMISSIONER

TO: Michigan Intrastate Pipeline Operators

FROM: David J. Chislea, Manager
Gas Operations Section
Energy Operations Division

DATE: January 29, 2019

SUBJECT: 2019 Gas Safety Inspections and Program Updates

Enclosed for your information are the following:

1. A copy of the inspection forms the Staff will be using for 2019. Please note that the rules listed on the forms are the minimum rules to be inspected in 2019. In addition to the 2019 first and second half inspections, Staff may also conduct additional specialized inspections in 2019, including but not limited to:
 - a. First and Second Half Inspection – Inspections have been updated to include individual questions for Procedure, Record, and Observation elements of the inspected rules. Michigan Rules 460.20335, and 460.20338 are included at the end of the first half inspection form for informational purposes only and will not be inspected at this time.
 - b. Transmission Integrity Management Program – Inspections will be conducted for all operators of transmission pipelines using the federal inspection form. If operators do not have any covered segments based on the results of Protocol A of the federal inspection form, the integrity management inspection will end. If covered segments exist, the inspection will continue using the entire federal inspection form. This will be a detailed review and may require multiple weeks.
 - c. Field Inspections – Inspections may include field inspection items. Required field inspection items include, but are not limited to, an evaluation of corrosion control, leakage surveys, overpressure protection and pressure regulating equipment, odorization levels and equipment, repaired and/or active leaks, emergency valves, and emergency response. Planned field inspection items for 2019 include corrosion control.

LARA is an equal opportunity employer/program.

Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.
7109 W. SAGINAW HIGHWAY • P.O. BOX 30221 • LANSING, MICHIGAN 48909 • www.michigan.gov/mpsc • 517-284-8100

2. Staff is intending on switching to a risk-based inspection process in 2020, whereupon each inspection unit within the State will have its own risk profile that will drive the rules that will be inspected each calendar year. As such, the proposed inspection schedule for 2020 will only be known by the fourth quarter of 2019. These will be communicated out to each operator at that time. In the event that this process is not fully-implemented, future correspondence will notify you of any changes.
3. An updated MPSC Contact list for telephonically reporting gas incidents (dated January 24, 2019).
4. An updated list of general contact information for the MPSC Gas Safety Staff (dated January 24, 2019). **Please do not use this list for reporting incidents.**

The Annual Report forms for both distribution and transmission/gathering line operators can be found on PHMSA's website at: <https://www.phmsa.dot.gov/forms/operator-reports-submitted-phmsa-forms-and-instructions>. Annual Report forms for all covered operators are due by March 15, 2019. Distribution operators should also be reminded that all Mechanical Fitting Failure Report forms for 2018 are also due by March 15, 2019. These forms should be electronically submitted to PHMSA at: <http://portal.phmsa.dot.gov/pipeline>.

The Michigan Gas Safety Standards (MGSS) require that any report filed with PHMSA must be concurrently filed with the MPSC. The Gas Operations Section encourages paperless submission of any and all correspondence directly to our e-mail address: LARA-MPSC-Operations@michigan.gov.

Alternatively, correspondence can still be mailed to the following address:

Michigan Public Service Commission
PO Box 30221
Lansing, MI 48909

The MPSC offices are located at the following address:

Michigan Public Service Commission
7109 West Saginaw Hwy
Lansing, MI 48917

Note that on January 3, 2019, the MPSC formally adopted revised rules governing gas pipeline safety which included the incorporation of updated federal standards into the Michigan rules. Information concerning these revisions can be found in the MPSC Natural Gas Documents Library: https://www.michigan.gov/mpsc/0,4639,7-159-16385_17143---,00.html. Additionally, a copy of revised Michigan rules has been included as an attachment in this mailing.

When there are changes regarding which Staff has inspection responsibility for a company/unit, it will be addressed in a specific notice to those companies at a later date. If unsure of who has inspection responsibility for your company/unit, please inquire.

Please provide the Staff with an updated contact list for your company. You can provide this electronically to LARA-MPSC-Operations@michigan.gov or mail it to the attention of the Gas Operations Section at the Lansing office address.

This information has been provided to expedite inspections. If you have questions regarding the attached information, please contact Ms. Eleanor Mundorf at mundorfe@michigan.gov or at 734-429-9901.

Enclosures

cc: Gas Safety Engineers