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

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TO: Michigan Intrastate Pipeline Operators

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

DATE: December 8, 2020

SUBJECT: 2021 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 2021. Please note that the rules listed on the forms are the minimum rules to be inspected in 2021. In addition to the 2021 first and second half inspections, Staff may also conduct additional specialized inspections in 2021. Inspections to be conducted in 2021 include but are not limited to:
 - a. Compressor Stations – Compressor Station inspections will be conducted.
 - b. 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 2021 include corrosion control, leakage surveys, and distribution valve inspections.
2. The federal Guidelines for States Participating in the Pipeline Safety Program require risk-based inspections of units using “information available from the operator’s annual reports.” Staff will be conducting risk-based inspections, whereupon each inspection unit within the State will have its own risk profile, which will be used to develop a supplemental risk-based inspection. Operators will be individually notified of any risk-based inspection that will occur in 2021 in future correspondence. Based on knowledge and information gained from these risk-based inspections, Staff is evaluating the need to convert to a five-year standard inspection cycle from the current four-year.

LARA is an equal opportunity employer/program.

Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.
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3. Special inspections are being conducted in a four-year cycle where a quarter of the pipeline operators in the State will be inspected each year. This four-year cycle will take several years to fully implement, and some special inspections may occur more frequently during the implementation period. Inspections that will fall into the four-year cycle include: Drug and Alcohol, Operator Qualification, Control Room Management, and Integrity Management. Operators will be individually notified of any special inspection that will occur in 2021 in future correspondence.
4. An updated MPSC Contact list for the MPSC Gas Safety Staff (dated September 24, 2020). Please exclusively use the incident notification phone number for reporting incidents.

Public Act 174 of 2013, MISS DIG Underground Damage Prevention and Safety Act, and R 460.40 require the MPSC establish requirements for reporting incidents involving damage to underground facilities. Quarterly damage data reports are required to be submitted by the 15th day of the second month following each quarter such that first quarter data is due May 15th, second quarter data is due August 15th, third quarter data is due November 15th, and fourth quarter data is due February 15th of the following year. **Beginning with fourth quarter 2020 damage data, non-reporters will receive enforcement letters.** If you have any questions concerning submitting quarterly damage data, please contact Ms. Cindy Creisher at creisher@michigan.gov or 517-284-8232.

In order to have more accurate damage data, Operators are requested to reconcile damage data reported in Gas Distribution Annual Report, Part D – Excavation Damage through 2015 to reduce inaccurate reporting of the Other category. **Prior to submission of the Annual Report for calendar year 2020, ensure excavation damage data is reviewed for accuracy and completeness.**

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, 2021. Distribution operators should also be reminded that all Mechanical Fitting Failure Report forms for 2020 are also due by March 15, 2021. These forms should be electronically submitted to PHMSA at: <http://portal.phmsa.dot.gov/>.

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

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. 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 517-899-4436.

Enclosures

cc: Gas Safety Engineers