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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF PACIFIC ENERGY & MINING COMPANY	**Docket No. 18-2602-01** **UTAH DIVISION OF PUBLIC UTILITIES' RESPONSE TO PEMC'S MOTION TO RECONSIDER ORDER DATED APRIL 10, 2019**

On April 12, 2019, Pacific Energy & Mining Company (PEMC) filed its "Motion to Reconsider Order Dated April 10, 2019" (Motion and Hazardous Facility Order, respectively) with the Public Service Commission of Utah (Commission).[1] The Hazardous Facility Order (Order) found PEMC committed pipeline safety violations and consequently imposed a $100,000 penalty upon PEMC and ordered the pipeline, which PEMC operates, to suspend operations within 60 days of the Order.

[1] PEMC did not serve its Motion upon Division's counsel or the Division. The Division and its counsel learned of the Motion when the Commission circulated it in an email to a list of parties maintained by the Commission.

As explained and supported in this Response, the Motion should be denied and no reconsideration of the Hazardous Facility Order (Order) is warranted. While PEMC has made progress regarding three violations, it has not achieved compliance and all 11 violations remain uncured.

PEMC's seeming inability, incompetence, and unwillingness to comply with pipeline safety regulations continues to threaten the public safety. The fact that the Order failed to spur PEMC into taking meaningful action to become compliant is especially troublesome, as is PEMC's failure to take responsibility for its failings.[2]

Because all 11 remaining violations remain uncured, to protect the public safety the Motion must be denied, and the Commission's Order finding PEMC committed pipeline safety violations and imposing the $100,000 penalty and mandating the suspension of pipeline operations must remain unchanged, unrescinded,[3] and in force.

I. BACKGROUND

On January 18, 2019, the Commission issued its order (January Order) stating:

> [w]ithin twenty (2) days of the Order, PEMC shall file with the PSC: 1) a status report identifying the alleged violations asserted by DPU it has cured to date and its schedule for curing all remaining alleged violations, 2) a response to the DPU's proposed civil penalty of $100,000, and 3) comments concerning the DPU's proposed suspension of PEMC's pipeline operations and the relevance, if any, of the Seventh District Court's Order Granting Motion for Preliminary Injunction in Case No. 160700016.[4]

The Division was ordered within 10 days of PEMC's filing to "file a response addressing each of the issues outlined above."[5]

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[2] See Exhibit 1 to Attachment 2, the April 17, 2019 letter from Tariq Ahmad to the Division.
[3] At page 9 of the Motion, PEMC requests that the "Commission rescind its Order. . . . "
[4] January Order at p. 4.
[5] January Order at p. 4.

Not until March 25, 2019 did PEMC respond to the January Order. On that date, PEMC filed a two page letter claiming that all violations had been cured, stating that all records were available, contesting that a "fine" was appropriate, and claiming that no pipeline "shutdown" was needed. [6]

On March 26, 2019, the Commission issued an Action Request to the Division, with a due date of "A.S.A.P."

On April 4, 2019, the Division filed its response to the Action Request. This comprehensive response demonstrated that the violations (except for violation 12) remained uncured and that the Division continued to support the requested penalty and suspension of pipeline operations. The Division expressed concern about PEMC's untimely response and "disregard for the regulatory process."[7]

Through correspondence dated April 5, 2019, PEMC sent additional information to the Division.

On April 10, 2019, the Commission issued its Order finding PEMC had committed 11 violations of pipeline safety regulations, imposing a $100,000 penalty upon PEMC, and ordering PEMC to suspend pipeline operations 60 days after the date of the Order.

On April 12, 2019, PEMC filed its Motion seeking reconsideration of the Commission's April 10, 2019 Order. PEMC's Motion included certain factual representations.[8] No affidavit accompanied or supported the Motion.

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[6] PEMC used the word "fine" although the correct word and what the Division requested is a "penalty."
[7] See the Division's Action Request Response at p. 2.
[8] The Division objects to PEMC's attempt to insert additional facts into the record via the Motion. PEMC had already filed its response to the Commission's January Order's request for more information.

On April 17, 2019, Tariq Ahmad from PEMC sent Jimmy Betham of the Division a letter (April 17, 2019 Letter), which included certain factual representations. No affidavit accompanied or supported this letter.[9]

Notwithstanding the irregular manner in which the Division received the information through the Motion and through the April 17, 2019 Letter, and the fact that such information was not supported by affidavits, the Division has scrutinized all information submitted by PEMC to evaluate whether PEMC has cured any of the 11 violations found in the Order, whether the $100,000 penalty should remain in effect, whether pipeline operations should be suspended, and whether reconsideration of the Order is warranted.

However, the Division feels that it is necessary to note that PEMC frequently and repeatedly previously has stated that the documentation now provided in the exhibits to its April 17, 2019 Letter was not available or did not exist. The Division is skeptical about the sudden appearance of this documentation. In that April 17, 2019 letter, Mr. Ahmad states, "I have reviewed the commission's order on pages 23 and 24 and are [sic] addressing each of the issues in the attached addendum."

For the purposes of this pleading only and not waiving any challenges to the authenticity or veracity of the submissions, the Division has taken PEMC at its word that the exhibits and documents were created on the dates represented by PEMC. However, because the deficiencies were uncorrected on those dates in PEMC's manual itself, the Division cannot find that the exhibits predating the corrections cure the violations identified by the Commission in its Order. As to whether the exhibits and documents were actually created on the dates represented by

[9] The Division objects to PEMC's attempt to insert additional facts into the record via the April 17, 2019 Letter. PEMC had already filed its response to the Commission's January Order's request for more information. Mr. Ahmad's claim that he was "surprised" that the Order found 11 violations is disingenuous.

PEMC, that question should remain open until an appropriate factual inquiry, which is premature until PEMC files a new petition alleging full compliance in accordance with the Commission's Order. The Commission should not delay proceedings or limit the effect of its Order unless and until full compliance is proven with a robust PEMC filing that is well-supported by documentary and testamentary evidence.

II. ARGUMENT

The Division's Response demonstrates that the Motion is without merit and that generally the factual representations in the Motion and the April 17, 2019 Letter are incorrect and misleading. The Motion must be denied, and the Commission's findings that PEMC had violated pipeline safety regulations, meriting imposition of a $100,000 penalty and an order suspending pipeline operations, must remain in force.

The Division's Response consists of this pleading, two attachments, and an affidavit (along with the required certificate of service). In the body of this pleading, the Division responds to certain allegations set forth in the Motion.[10] Attachment 1 hereto and incorporated herein is a memorandum from the Division addressing the majority of PEMC's claims in its Motion. Attachment 2 hereto and incorporated herein is the Division's memorandum addressing claims in PEMC's April 17, 2019 Letter. Attachment 1 and Attachment 2 are supported by an affidavit executed by Division staff.

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[10] See Motion at p. 8, paragraph beginning "On March 25, 2019 . . . " and continuing to the end of the Motion.

A. PEMC Has Failed to Cure the 11 Remaining Violations from the 2016 Inspection and the Motion Should Be Denied

As set forth in Attachment 1 and Attachment 2, PEMC has failed to cure the 11 violations found by the Commission in its Order. At best, PEMC has made progress remedying, but not achieving compliance, regarding three violations.

The 2016 Inspection revealed 13 probable violations. Despite the Division's efforts, PEMC resisted coming into compliance. By letter dated April 14, 2017, PEMC cleared one violation regarding valves. Not until after the Division filed its Request for Agency Action on April 12, 2018, did PEMC cure another potential violation. Now, only after the Commission has issued its Order has PEMC – at best – taken steps towards achieving compliance (but has not achieved compliance) on three violations. It is now almost May of 2019. PEMC's actions are unacceptable and demonstrate a continued disregard of the public safety.

B. Allegations in the Motion Are Unfounded and the Motion Must Be Denied

1. Mr. Chien Hwang Was Properly Qualified Under the Pipeline and Hazardous Materials Safety Administration's (PHMSA) Requirements to Conduct the 2016 Operations and Maintenance Inspection of PEMC Resulting in this Docket

Contrary to PEMC's allegations, as established in Attachment 1, Mr. Chien Hwang was properly qualified to conduct the 2016 Operations and Maintenance inspection of PEMC giving rise to this docket. Not only was Mr. Hwang qualified to conduct PEMC's 2016 Operations and Maintenance Inspection, Jimmy Betham, who worked with Mr. Hwang regarding the 2016 Inspection, and Pipeline Safety Lead Al Zadeh were qualified to conduct both operation and maintenance inspections and operator qualification inspections under PHMSA regulations.

At best, PEMC seems to incorrectly allege that PHMSA regulations required a pipeline inspector to be qualified to conduct operator qualification inspections in order to conduct an operations and maintenance inspection. At worst, PEMC is making unsupported allegations and

ascribing improper motives to the Division, its counsel, and the Commission. Regardless, even if Mr. Hwang had not been qualified to perform the inspection, his inspection and its findings were reviewed and ratified by Mr. Zadeh and Mr. Betham, both of whom were fully qualified on all inspections.

2. The Division's March 22, 2019 Letter Pertained to the 2018 Inspection and Was Sent Out in the Regular Course of Division Business

PEMC's allegations that the Division issued its March 22, 2019 letter in response to PEMC's March 21, 2019 letter concerning Mr. Hwang's qualifications is incorrect. The March 22, 2019 letter pertained to the 2018 Inspection and was issued in the regular course of the Division's business.

3. PEMC's Other Allegations Are Incorrect

PEMC's statements that the Division's letter contained factually incorrect statements are themselves incorrect and PEMC's statements are manifestly untrue. The Division's counsel's letter to the Commission dated April 3, 2019 correctly states that PEMC responded in an untimely manner, not immediately or within the time allowed by the Order. The violations were safety violations, and it is confounding that PEMC considers that they have been addressed satisfactorily. The Division's inspector who conducted the 2016 Inspection was fully qualified to do so as required by PHMSA. The Division's April 4, 2019 filing could not have notified the Commission of PEMC's April 5, 2019 correspondence pertaining to the Division's March 22, 2019 letter to the Division; the Division's response was filed before the correspondence was received and thus it was impossible for the Division to alert the Commission of information that it had not yet received. The fact that PEMC claims it placed phone calls to Mr. Betham and the Division that were not immediately returned does not support reconsideration of the Order. Mr. Betham is frequently out of town on Division business and the Division returns calls

appropriately as permitted by its workload. The Division has not "made up the issues" that resulted in this docket but instead has carefully proceeded based upon facts and law. The Division and the Commission are not "relying upon [ ] illegal findings to levy a fine and find that Pacific has violated certain regulations governing operations of Pipelines [sic]."[11] The Division has not "violated Federal regulations by knowingly flaunting Federal rules and covering up its own mistakes."[12] Contrary to PEMC's allegations, the Division has not "misled [] the Commission."[13] Instead, it is PEMC that has made mistakes, and is unwilling to accept the consequences of its actions.

The Division has expended ample effort seeking compliance from PEMC. Only in recent months has PEMC seemed even partially willing to comply. That seeming willingness, however, is belied by PEMC's continued failure to work cooperatively on resolving the issues identified in the Order. Rather, to the Division it appears that PEMC is expressing a modicum of willingness in an effort to give space for its continued half-hearted filings that make little if any progress toward compliance. In sum, PEMC's Motion alleging the Division is "vindictive, misleading and factually incorrect"[14] is absolutely wrong; PEMC continues to make little to no progress toward compliance with the 2016 inspection and the Commission's Order. The only barrier to PEMC's compliance is PEMC.

As shown above, PEMC's Motion is without merit and the relief requested must be denied.

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[11] Motion at p. 8.
[12] Motion at p. 9.
[13] Motion at p. 9.
[14] Motion at p. 8.

III. CONCLUSION

PEMC's Motion does not warrant reconsideration of the Order. Eleven violations remain outstanding, although PEMC has made progress, but not achieved compliance, regarding three of those violations. At best, the information contained in the Motion and PEMC's Letter may warrant a subsequent order from the Commission finding that PEMC has "possibly conditionally cured," no sooner than April 17, 2019, three more violations out of the initial 13 violations. Such an order would only be appropriate after further factual development, which is premature at this point. It should come only after PEMC makes a robust, well-supported filing alleging full compliance with each point of violation. The Commission should not delay proceedings or limit the effect of its Order now.

The Division urges the Commission not to rescind or alter its Order finding PEMC violated pipeline safety regulations, determining that PEMC should pay a $100,000 penalty, and mandating that the pipeline suspend operation 60 days after the date of the Order. PEMC's inability and recalcitrance in achieving compliance continues to cause the Division concern over PEMC's ability, and willingness, to comply with regulations - compliance, which is necessary for the public safety. Eleven of the original 13 violations from 2016 still remain uncured today.

DATED this 29th day of April, 2019.

Patricia E. Schmid
Attorney for the Utah Division
of Public Utilities

CERTIFICATE OF SERVICE

I certify that I caused a true and correct copy of the foregoing **UTAH DIVISION OF PUBLIC UTILITIES'RESPONSE TO PEMC'S MOTION TO RECONSIDER ORDER DATED APRIL 10, 2019** to be served this 29th day of April 2019, by email and/or USPS mail, postage prepaid, to the following:

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ATTACHMENT 1

State of Utah

Department of Commerce
Division of Public Utilities

GARY HERBERT
Governor
SPENCER J. COX
Lieutenant Governor

FRANCINE GIANI
Executive Director
CHRIS PARKER
Director, Division of Public Utilities

MEMORANDUM

To: Utah Public Service Commission

From: Utah Division of Public Utilities
Chris Parker, Director
Al Zadeh, Senior Pipeline Safety Engineer
Jimmy Betham, Pipeline Safety Engineer
Connie Hendricks, Office Specialist II

Date: April 29, 2019

Re: Docket No. 18-2602-01 – Division's Response to PEMC's Motion

On April 12, 2019 Pacific Energy & Mining Company (PEMC) filed its Motion to Reconsider Order dated April 10, 2019 (Motion).[1] This memorandum tracks the headings and references the pages from PEMC's Motion

Division January 2, 2019 Notice (Motion page 1)

PEMC did respond to the Division's January 2, 2019 Notice of Probable Violations (2018 Inspection NOPV) with correspondence dated January 3, 2019. However, the 2018 Inspection NOPV pertained to the 2018 Inspection, number 20180430JB, not the 2016 Inspection, number 20161101CH, which resulted in this docket. The 2018 inspection found two new probable violations for 2018, along with three probable violations that were repeated (carried over) from the 2016 Inspection. See Exhibit A attached hereto which presents a table showing the results of the 2016 Inspection and the 2018 Inspection. It was clear from the 2018 Inspection NOPV that it pertained to the 2018 Inspection. The effect, if any, of PEMC's January 3, 2019 submission on

[1] A separate Division memorandum addresses the April 17, 2019 letter from Tariq Ahmad to the Division. .

the violations found in the Commission's April 10, 2019 order (Order) in this docket is discussed in the Division's memorandum addressing PEMC's letter from Tariq Ahmad to the Division dated April 17, 2019 (Division's Response to April 17, 2019 Letter).

Except with regard to the three carry-over violations, the 2018 Inspection NOPV is not relevant here. None of the three carry-over violations have been cured because the three "base violations" stemming from the 2016 Inspection have not been cured.

Item 1 (Motion page 1)

191.17 Transportation Systems; Gathering Systems; Liquefied. Annual Report

PEMC's comments and submissions here regarding Motion Item 1 do not cure any violations found in the Order because Motion Item 1 pertains only to new, not carry-over, items from the 2018 Inspection.

Item 2 (Motion page 1)

191.29 National Pipeline Mapping System:

PEMC's comments and submissions here regarding Motion Item 2 do not cure any violations found in the Order because Item 2 pertains only to new, not carry-over, items from the 2018 Inspection.

Item 3 (Motion page 1)

192.616 Public Awareness (e) & (f). Municipalities, school districts, businesses and residents.

See the Division's Response to April 17, 2019 Letter addressing Item 6 from that letter. PEMC's actions have not cured the violation.

Item 4 (Motion page 2)

See the Division's Response to April 17, 2019 Letter addressing Item 7 from that letter. PEMC's actions have not cured the violation.

Item 5 (Motion pages 2 through Public Contact, page 4)

Effectiveness of the Public Awareness Program (from page 2 through page 4 of the Motion)

See the Division's Response to the April 17, 2019 Letter addressing Items 5, 6, 7, and 8 from that letter. PEMC's actions have not cured the violations.

Pacific's March 21, 2019 letter to the Division Attorney (Motion page 4)

Contrary to PEMC's allegations, Mr. Chien Hwang was qualified to conduct the Operations and Maintenance (O&M) inspection of PEMC on November 1-4, 2016. In addition, Mr. Hwang had taken PHMSA's welding inspection course. PHMSA-PL3311 referenced by PEMC is not a PHMSA required training course to conduct an O&M inspection, like the one performed on PEMC in November of 2016. All PEMC inspections have been conducted by personnel qualified to conduct the type of inspection undertaken.

The 2016 Inspection was not an Operator Qualifications (OQ) inspection. PEMC appears to be confusing "Operator Qualifications required for Pipeline Operators" with PHMSA's required training for state inspectors. Item 12 from the NOPV addressed qualification of welders and welding operators, not pipeline operator qualifications. Checking for "welder qualification documentation" is part of the regular O&M inspection.

The Division's letter to PEMC dated March 22, 2019 pertained to the 2018 Inspection and was sent in the regular course of Division business. This letter was not in response to PEMC's claim that the 2016 Inspection was conducted by an unqualified inspector. The Division's March 22, 2019 letter clearly states it is responding to PEMC's letter dated January 3, 2019 regarding the 2018 Inspection.

Division March 22, 2019 Notice (Motion page 4 through page 8, paragraph beginning "In particular PEMC has contacted…")

The Division addresses this section of the Motion here above (see the Division's response contained under the heading "Division March 22, 2019 Notice") and in the Division's Response to the April 17, 2019 Letter. PEMC's actions have not cured the violations.

EXHIBIT A

PEMC INSPECTIONS			
2016		2018	
Violation No.	Violations	Violation No.	Violations
6	**192.616 Public awareness (e) & (f): The program must include activities to advise affected municipalities, school districts, businesses, and residents of pipeline facility locations. The program and the media used must be as comprehensive as necessary to reach all areas in which the operator transports gas.** No documentation was available to verify public awareness activities.	3	**192.616 Public awareness (e) & (f): The program must include activities to advise affected municipalities, school districts, businesses, and residents of pipeline facility locations. The program and the media used must be as comprehensive as necessary to reach all areas in which the operator transports gas.** No documentation was available to verify public awareness activities. Documentation required. This is a carry-over item from the 2016 inspection.
7	**192.616 Public awareness (g): The program must be conducted in English and in other languages commonly understood by a significant number and concentration of the non-English speaking population in the operator's area.** This item was not addressed by the PEMC Procedural Manual for Operations, Maintenance and Emergencies (PMOME).	4	**192.616 Public awareness (g): The program must be conducted in English and in other languages commonly understood by a significant number and concentration of the non-English speaking population in the operator's area.** This item was not addressed by the PEMC Procedural Manual for Operations, Maintenance and Emergencies (PMOME). This is a carry-over item from the 2016 inspection.
8	**192.616 Public awareness (h): Operators in existence on June 20, 2005, must have completed their written programs no later than June 20, 2006. The operator of a master meter or petroleum gas system covered under paragraph (j) of this section must complete development of its written procedure by June 13, 2008. Upon request, operators must submit their completed programs to PHMSA or, in the case of an intrastate pipeline facility operator, the appropriate State agency.** An effectiveness review was not addressed by the PEMC PMOME.	5	**192.616 Public awareness (h): Operators in existence on June 20, 2005, must have completed their written programs no later than June 20, 2006. The operator of a master meter or petroleum gas system covered under paragraph (j) of this section must complete development of its written procedure by June 13, 2008. Upon request, operators must submit their completed programs to PHMSA or, in the case of an intrastate pipeline facility operator, the appropriate State agency.** An effectiveness review was not addressed by the PEMC PMOME. This is a carry-over item from the 2016 inspection.
1	**192.605 Procedural manual for operations, maintenance, & emergencies (b) (8): Periodically reviewing the work done by operator personnel to determine the effectiveness, and adequacy of the procedures used in normal operation and maintenance and modifying the procedures when deficiencies are found.** No documentation was available to verify; needs documentation.	–	–
2	**192.605 Procedural manual for operations, maintenance, & emergencies (c) (4): Periodically reviewing the response of operator personnel to determine the effectiveness of the procedures controlling abnormal operation and taking corrective action where deficiencies are found.** No documentation was available to verify; needs documentation.	–	–
3	**192.615 Emergency plans (b) (2): Train the appropriate operating personnel to assure that they are knowledgeable of the emergency procedures and verify that the training is effective.** No documentation was available to verify training and/or training effectiveness.	–	–
4	**192.615 Emergency plans (b) (3): Review employee activities to determine whether the procedures were effectively followed in each emergency.** No documentation was available to verify whether procedures were effectively followed.	–	–
5	**192.615 Emergency plans (c): Each operator shall establish and maintain liaison with appropriate fire, police, and other public officials.** No documentation was available to verify liaison.	–	–
9	**192.706 Transmission lines: Leakage surveys: Leakage surveys of a transmission line must be conducted at intervals not exceeding 15 months, but at least once each calendar year. However, in the case of a transmission line which transports gas in conformity with §192.625 without an odor or odorant, leakage surveys using leak detector equipment must be conducted.** No documentation of leak surveys available.	–	–
10	**192.745 Valve maintenance: Transmission lines: Each transmission line valve that might be required during any emergency must be inspected and partially operated at intervals not exceeding 15 months, but at least once each calendar year.** No documentation of valve maintenance/testing available.	–	–
11	**192.751 Prevention of accidental ignition: Each operator shall take steps to minimize the danger of accidental ignition of gas in any structure or area where the presence of gas constitutes a hazard of fire or explosion.** Not addressed by the PEMC PMOME, no documentation available.	–	–
12	**192.227/229 Qualification of welders and welding operators / Limitations on welders and welding operators:** Welder qualification documentation not available at the time of audit because records are stored in Reno, NV. PEMC will check and follow-up with additional information.	–	–
13	**192.243 Nondestructive testing:** NDT qualification documentation not available at the time of audit because records are stored in Reno, NV. PEMC will check and follow-up with additional information.	–	–
–	–	1	**191.17 Transmission systems; gathering systems; liquefied natural gas facilities; and underground natural gas storage facilities: Annual report:** During the inspection no transmission annual report was submitted by the March 15, 2018 deadline.
–	–	2	**191.29 National Pipeline Mapping System:** During the inspection no geospatial data was submitted to PHMSA for use in the National Pipeline Mapping System by the March 15, 2018 deadline.

ATTACHMENT 2

State of Utah

Department of Commerce
Division of Public Utilities

FRANCINE GIANI
Executive Director

CHRIS PARKER
Director, Division of Public Utilities

GARY HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

MEMORANDUM

To: Utah Public Service Commission

From: Utah Division of Public Utilities
Chris Parker, Director
Al Zadeh, Senior Pipeline Safety Engineer
Jimmy Betham, Pipeline Safety Engineer
Connie Hendricks, Office Specialist II

Date: April 29, 2019

Re: Docket No. 18-2602-01 – Division's Response to PEMC's Motion

SUMMARY

This memorandum addresses the statements made in PEMC's April 17, 2019 letter to the Division (April 17, 2019 Letter). In addition to reviewing that letter and its attachments, the Division has reviewed PEMC's January 3rd, 2019, and April 5th, 2019, submissions to the Division, along with all other submissions from PEMC. After reviewing the information submitted by PEMC in the April 17, 2019 Letter and the other submissions, the Division finds that all 11 violations identified in the Commission's April 10, 2019 order (Order) remain outstanding, although PEMC has made progress to remedying three violations, although those violations are not yet cured.

INTRODUCTION

Below the Division addresses the items discussed in PEMC'S April 17, 2019 Letter signed by Tariq Ahmad. The Division's memo uses the headings from that letter. That letter, including its exhibits which PEMC identified by letter, is attached as Exhibit 1 hereto and incorporated herein.

PEMC frequently and repeatedly has stated that the documentation now provided in the exhibits to its April 17, 2019 Letter was not available or did not exist. The Division is curious about the sudden appearance of this documentation.

For the purposes of this memo only and not waiving any challenges, the Division has taken PEMC at its word that the exhibits and documents were created on the date represented by PEMC. However, because the deficiencies were uncorrected on those dates in PEMC's Policies & Procedural PPMOME for Operations Maintenance & Emergencies (PPMOME) itself, the Division cannot state that the exhibits predating the corrections cure the violations identified by the Commission in its Order. As to whether the exhibits and documents were actually created on the date represented by PEMC, the Division leaves that determination to the Commission if and when such a determination becomes appropriate.

PEMC's expression of "surprise" at finding 11 violations in the Commission's Order is unfounded and lacks credibility. The 2016 Inspection resulted in this docket, which remains open before the Commission. The fact that the 2018 Inspection revealed three carry-over items from the 2016 Inspection did not indicate that the rest of the violations from the 2016 Inspection were cured. Instead it indicated only that the 2018 Inspection did not cover those other unresolved items.

ANALYSIS

Item 1.

PEMC's representations and exhibits are insufficient to cure the Commission-determined violation concerning Item 1.

The Division reviewed PEMC's PPMOME. Section No. 3 PPMOME Updates Procedures and pages 24-25, states that Dan Green and Terry Spencer were to conduct the PPMOME reviews. This section from the PPMOME is attached as Exhibit 2. As part of the reviews Mr. Green and Mr. Spencer were to:

> 1 - Determine if the procedures contained in this PPMOME and associated document were implemented as required by this PPMOME.

> 2 - Determine if the procedures, as written, were effective in addressing any maintenance, operations, or emergency issues that have occurred since the PPMOME was last updated.
>
> 3 - If new procedures are needed, add the corrected procedures to the PPMOME and identify where new procedures were added for tracking purposes.

The PPMOME also states "Implementation: This PPMOME was last updated on October 9, 2018, with the next update due December 31, 2019." Also, Page 1 and 2 of the PPMOME and Page 1 of the appendix A have the form to use when conducting PPMOME reviews.

To cure the violation, PEMC must do or correct several things. PEMC must follow the procedures set forth in its PPMOME. Among other things, PEMC did not demonstrate it did the required analysis set forth in its PPMOME. PEMC has not provided a PPMOME demonstrating that the text under each item has been added, and where it has been added. There is no tie between the PPMOME and Exhibit A. PEMC must review and update, if necessary, the operations and maintenance procedures at least once each calendar year not to exceed 15 months between. PEMC must show that normal operations, abnormal operations, incidents, and emergency conditions were reviewed to determine if procedures modifications are needed. The individual procedures documents should include management approvals, origin date, and the effective date of the last revision. Section 192.605(b)(8) is directed to procedures refinement, not employee evaluation. PEMC must show that some analysis has been performed to determine the adequacy of a procedure and, if it is found to be inadequate, that PEMC has made appropriate modifications. The analysis may include incident data, near miss data, meetings to discuss the procedures, job safety analysis, etc., and should include documentation showing the analysis, discussions, etc., that determined the procedure was adequate or inadequate. A tie to the management of change management process should show the procedure modification that was made in response to the analysis. The appropriate form specified by the PPMOME must be used. Exhibit A represent that it was created before any curative language was added to the PPMOME. Exhibit A does not demonstrate compliance and is inadequate to cure the violation.

PEMC's submissions are inadequate. The violation remains uncured.

Item 2.

PEMC's representations and exhibits are insufficient to cure the Commission determined violation concerning Item 2.

The Division reviewed PEMC's PPMOME, Section No. 10 Abnormal Operations. Pages 86-90 state that Dan Green was to evaluate PEMC's procedure. According to the PPMOME, Dan Green (Compliance officer) must perform this task with the Gas Plant Supervisor. Due to PEMC's personnel changes, the Division is unsure who the Gas Plant Supervisor is and who the Compliance Officer is, and their qualifications to hold those positions. Also, PEMC's procedures don't specify the documentation requirements for abnormal operations events and reviews. This section from the PPMOME is attached as Exhibit 3.

To cure the violation, PEMC must do or correct several things. In addition to operations and maintenance functions performed by field personnel, tasks performed by operations control, engineering, integrity management, and other functions associated with an office facility require written procedures for abnormal operations that must be included in the PPMOME. The operator's procedures must specify the documentation requirements for abnormal operations events. Recording only those abnormal operations that result in a Part 191 reportable incident is not adequate. Abnormal operations must be documented.

Operators may apply various techniques to determine the effectiveness of their abnormal O&M procedures, some examples are:

a. Root cause analysis,

b. Post event reports,

c. Tailgate meeting agenda item,

d. Near-miss and accident investigation analysis,

e. Simulation or event re-construction reviews, and f. Abnormal operations drills and mock exercises.

Procedures revised to increase efficiency must not compromise safety. The operator's operations and maintenance procedures for abnormal operations must include a process to evaluate the effectiveness and include defined actions where the procedures are found to have deficiencies. The operator must be able to show documentation that this review is being

performed and the results of the review. The procedures modifications must reflect revisions to correct any deficiencies determined in the review process. The operator can use a variety of methods to determine the effectiveness of the procedures, including root cause analysis, post-event reports, discussions in safety meetings, evaluation of close-call reports, and table-top or live drills. Refinement of the procedures to improve efficiency must not compromise safety.

PEMC has not yet complied with these requirements. PEMC's submissions are inadequate. In the April 17, 2019 Letter, Mr. Ahmad references Exhibit, A but it seems likely that he meant to reference Exhibit B. The records he provided show the years 2014-2018 and the word "None." Among other things, PEMC has not demonstrated that it applied various techniques to determine the effectiveness of its operations and maintenance procedures for abnormal operations. PEMC has not provided an updated PPMOME demonstrating that the text under each item has been added and where it has been added. Further, there is no tie between the PPMOME and Exhibit A (or Exhibit B). The dates on Exhibit A represent that it was created before any curative language was added to the PPMOME. Neither Exhibit A nor Exhibit B demonstrate compliance and are inadequate to cure the violation.

PEMC's submissions are inadequate. The violation remains uncured.

Item 3.

PEMC's representations and exhibits are insufficient to cure the Commission determined violation concerning Item 3.

The Division reviewed the PPMOME. The applicable section is attached as Exhibit 2.

Section No. 9 Addressing an Emergency Incident, pages 73-74 states:

> Review Employee Activities to Determine if Procedures Were Effective: In compliance with 49 C.F.R. the Operator shall test all PEMC employees to determine the ability of those employees to follow the policies and procedures adopted in this PPMOME in order to address a future emergency incident. This test shall be timed, and the results discussed with each individual employee. If additional training is required, it will be completed.

To cure the violation, PEMC must do or correct several things:

> Actual emergencies must have a process to evaluate the effectiveness of the procedures and make modifications and/or improvements when needed.
>
> Operator may use third party vendors or one call associations to provide documentation for meeting with public officials and emergency responders. The operator may also have documentation of additional interaction with the appropriate officials.
>
> Emergency plans are required to be reviewed once per calendar year, not to exceed 15 months as required by §192.605. Failure to perform this review should be cited under that section of code.
>
> If an operator relies on any third party entity to provide firefighting equipment, manpower, or other resources to respond to meet emergency response requirements as well as the requirements of §192.171, the operator must have documentation showing these agreements and the specific services and equipment that will be provided.
>
> Emergency training should cover different levels of responsibility and complexity, including, as applicable to the operator, personnel from the control center, managers and/or supervisors, field personnel, patrol pilots, communications systems, SCADA systems, etc. §192.615(b)
>
> Emergency exercises may be used as part of the emergency plan training. The emergency exercises may include a wide range of activities ranging from tabletop exercises to live drills. The scope of the exercises may vary from a localized emergency to a disaster involving company-wide involvement. These exercises should include a process designed to evaluate the procedures and make changes to improve the operator's response.

One method operators use to review performance, make appropriate changes, and verify that supervisors maintain a thorough knowledge, is critiquing the performance of emergency exercises. All simulated and real emergencies should be self-critiqued, with deficiencies identified and recommendations made and followed up on. §192.615(b).

PEMC has not yet complied with these requirements. PEMC's submissions are inadequate. Among other things, PEMC has not demonstrated that it trained operating personnel

to ensure they are knowledgeable of emergency procedures and verified that the training is effective. PEMC's procedures' revisions weren't implemented into its current PPMOME to reflect or demonstrate compliance with CFR Part 192.

Further, there is no tie between the PPMOME and Exhibit C from the April 17, 2019 Letter. The dates on Exhibit C represent that it was created before any curative language was added to the PPMOME. Exhibit C does not demonstrate compliance and is inadequate to cure the violation.

PEMC's submissions are inadequate. The violation remains uncured.

Item 4.

PEMC's representations and exhibits are insufficient to cure the Commission determined violation concerning Item 4.

The Division reviewed the relevant section of the PPMOME and it is attached as Exhibit 5. Section No. 9 Addressing an Emergency Incident, pages 73-74, states that:

> Training Requirement to Implement the Emergency Plan: In compliance with 49 C.F.R. 192(b)(2), within ten (10) days of review and approval of this Policy & Procedures PPMOME, the Operator shall provide training to PEMC employees to determine if these employees know and understand emergency incident procedures.

To cure the violation, PEMC must do or correct several things

> Actual emergencies must have a process to evaluate the effectiveness of the procedures and make modifications and/or improvements when needed.
>
> Operator may use third party vendors or one call associations to provide documentation for meeting with public officials and emergency responders. The operator may also have documentation of additional interaction with the appropriate officials.
>
> Emergency plans are required to be reviewed once per calendar year, not to exceed 15 months as required by §192.605. Failure to perform this review should be cited under that section of code.
>
> If an operator relies on any third party entity to provide firefighting equipment, manpower, or other resources to respond to meet

> emergency response requirements as well as the requirements of §192.171, the operator must have documentation showing these agreements and the specific services and equipment that will be provided.
>
> Emergency training should cover different levels of responsibility and complexity, including, as applicable to the operator, personnel from the control center, managers and/or supervisors, field personnel, patrol pilots, communications systems, SCADA systems, etc. §192.615(b)
>
> Emergency exercises may be used as part of the emergency plan training. The emergency exercises may include a wide range of activities ranging from tabletop exercises to live drills. The scope of the exercises may vary from a localized emergency to a disaster involving company-wide involvement. These exercises should include a process designed to evaluate the procedures and make changes to improve the operator's response.

One method operators use to review performance, make appropriate changes, and verify that supervisors maintain a thorough knowledge, is critiquing the performance of emergency exercises. All simulated and real emergencies should be self-critiqued, with deficiencies identified and recommendations made and followed up on. §192.615(b).

PEMC has not yet complied with these requirements. PEMC's submissions are inadequate. Among other things, PEMC has not demonstrated that it reviewed whether procedures were followed in each emergency or mock drill. PEMC has not provided the Division an updated PPMOME demonstrating that the text under each item has been added and where it has been added to the PPMOME. In particular Exhibit D does not demonstrate that "Emergency training should cover different levels of responsibility and complexity, including, as applicable to the operator, personnel from the control center, managers and/or supervisors, field personnel, patrol pilots, communications systems, SCADA systems, etc. "§192.615(b). Further, there is no tie between PEMC's PPMOME and Exhibit D. The dates on Exhibit D represent that it was created before any curative language was added to the PPMOME. The activities detailed on Exhibit D are inadequate to demonstrate compliance and cure the violation. The records provided showed the Mock Drill Emergency Procedures performed in 2018, who attended, the date, and comments. After reviewing the record in Exhibit D, it appears that PEMC performed a

shutdown procedure of the gas line. However, PEMC didn't follow its PPMOME Section No. 8 Start-Up and Shut-Down Procedures on the Pipeline. There is a lot of documentation required to perform this procedure, and it was not provided to the Division. Exhibit D does not demonstrate compliance and is inadequate to cure the violation.

PEMC's submissions are inadequate. The violation remains uncured.

Item 5.

PEMC's representations and exhibits are insufficient to cure the Commission determined violation concerning Item 6. This item concerns the liaison with fire, police, the public, and public officials.

The Division reviewed the relevant section of the PPMOME, and it is attached as Exhibit 5. The PPMOME's Section No. 9 Addressing an Emergency Incident, pages 74-75, states that:

> PEMC Contact with Local Officials: In accordance with 49 C.F.R. 615(c)(2), (3) and (4), PEMC shall meet with each local official listed immediately below and acquaint each local official with the ability of PEMC to address any Pipeline Emergency Incident. PEMC shall determine the type of Pipeline that Emergency Incident which will require PEMC to notify each local official type. During this meeting, the PEMC representative will also determine how each local official type can assist PEMC in an addressing particular kind of Emergency Incident. PEMC and local government officials shall then jointly develop a "mutual assistance plan" to identify and minimize hazards to life and property as a result of an Emergency Incident. The PEMC Compliance Officer, Dan green, shall discuss the results of these meetings with all PEMC personnel and independent contractors…Local Officials…Local Agencies and Utility Providers.

To cure the violation, PEMC must do or correct several things. It is acceptable to use third parties to conduct meetings with appropriate public officials on behalf of the operators; however, the operator is ultimately responsible for compliance with this requirement. §192.615(c). Documentation must be kept concerning a good faith attempt, and include who was invited, who attended, and topics discussed. §192.615(c). Appropriate materials must be sent to the public officials that were invited but did not attend. §192.615(c). The operator should

make reasonable attempts to conduct face-to-face meetings with local public officials. §192.615(c). PEMC has not yet complied with these requirements. PEMC's submissions are inadequate. PEMC has not provided the Division with an updated PPMOME demonstrating that the test under each time has been added and where it has been added. Further, there is no tie between the PPMOME and Exhibit E. The dates on Exhibit E represent that it was created before any curative language was added to the PPMOME. The activities detailed on Exhibit E are inadequate to demonstrate compliance and cure the violation. Among other things, PEMC has not demonstrated that it kept appropriate documentation and sent materials to those who did not attend. PEMC has not provided an updated section to its PPMOME demonstrating that the text under each item has been added and where it has been added. In the April 17, 2019 Letter, PEMC references Exhibit E. Exhibit E contains records PEMC provided showed the Liaison with Public Agencies performed in 2016-2018, with the agency name and contact date. PEMC failed to document or record the meetings according to its PPMOME which required the names and contact information of who attended, the emergency incident discussed, and the establishment of a "mutual assistance plan." Exhibit E does not demonstrate compliance and is inadequate to cure the violation.

PEMC's submissions are inadequate. The violation remains uncured.

Item 6.

PEMC's representations and exhibits are insufficient to cure the Commission determined violation concerning Item 6. This item concerns the Public Awareness Program (PAP) effectiveness review.

The Division reviewed the relevant sections of the PPMOME and they are attached as Exhibit 7. Section No. 9 of the PPMOME, Addressing an Emergency Incident, page 82, states that:

> Public Awareness: In conjunction with 49 C.F.R. 192.616(e), (f) and (g), the PEMC shall create a newspaper advertisement and have that advertisement placed in every newspaper to notify all municipalities, school districts, businesses and residents near the Pipeline location.

Also, Section No.12 Public Awareness, page 97, of the PPMOME states the PAP brochures will be provided to stakeholder audiences.

Although PEMC is permitted under the regulations to use the 2003 API standards, PEMC fails to comply appropriately. To cure the violation, PEMC must do or correct several things. With regard to:

49 CFR 192.616(e):

The regulation requires that the pipeline operator's program include activities to advise affected municipalities, school districts, businesses, and residents of its pipeline facility and it pipeline facility locations.

The sections of API RP 1162 noted above provide guidance on the stakeholder audience, message types, and the frequency of message(s) to be delivered.

API RP 1162 (1st edition, dated December 2003)
– Section 2 Message Content: Section 2.8 Summary of Program Recommendations;
– Section 4 Message Content: Section 4.6 Pipeline Location Information;
–Section 5 Message Delivery Methods and/or Media: Section 5.7 Pipeline Marker Signs; and Table 2-1
– Summary Public Awareness Communications for Hazardous Liquids and Natural Gas Transmission Pipeline Operators.

With regard to 49 CFR 192.616(f):

The regulation requires that the pipeline operator's public awareness program and the media used to communicate its public awareness program be as comprehensive as necessary to reach all areas in which the operator transports gas.

The sections - and Appendix D - of API RP 1162 noted above indicate that not all methods [of message delivery] are effective in all situations. API RP 1162 recommends that an operator think "broadly" when developing its Public awareness program and choice of media, such that its program and chosen media reach all areas in which it transports gas.

API RP 1162 (1st edition, dated December 2003)

- Section 2 Public Awareness Program Development: Section 2.2 Overview for Meeting Public Awareness Objectives;
- Section 3 Stakeholder Audiences; and
-Section 5 Message Delivery Methods and/or Media; Appendix D
- Detailed Guidelines for Message Delivery Methods and/or Media; Table 2-1
- Summary Public Awareness Communications for Hazardous Liquids and Natural Gas Transmission Pipeline Operators; and Table 2-2
- Summary Public Awareness Communications for Local Natural Gas Distribution (LDC) Companies.

PEMC has not yet complied with these requirements. PEMC's submissions are inadequate. The April 5, 2018 and the April 17, 2019 letter reference Exhibit, C, D, E, and F. The records PEMC provided showed excerpts from the API RP 1162 (2003) standard. They are not actual records to support PEMC's claim of complying with the regulation. Appendix I to K of the PPMOME states brochures will be sent to the stakeholder audience. However, there is no complete PAP Program stated in the PPMOME. PEMC only has fragments of the PAP in its Emergency Incident Section No. 9 and a single page PAP procedure in Section No. 12.

Among other things, PEMC's activities did not include appropriate stakeholders. For example, in its April 5, 2019 letter to the Division, PEMC reports it only contacted one excavator, a garage door installer, rather than all excavators in Grand County. PEMC has not provided an updated PPMOME, demonstrating that the text under each item has been added and where it has been added. Further, there is no tie between the PPMOME and its Public Awareness Program activities detailed in its January 3, April 5, or April 17, 2019 letters. In addition, PEMC references its PAP program in its Emergency Incident section. The Division recommends that PEMC separate its PAP program from the Emergency Incident Section. PEMC's activities are inadequate to demonstrate compliance and cure the violation.

PEMC's submissions are inadequate. The violation remains uncured.

Item 7.

This item concerns the liaison with fire, police, the public, and public officials. PEMC provided additional information to the Division on April 5, 2019. However, PEMC did not provide the Division PEMC's updated Public Awareness Program Plan incorporating this

additional information. It appears as though this violation is much closer to being cleared than it was before. Once the Division has been provided PEMC's updated Public Awareness Program Plan, PEMC's representations and exhibits may be sufficient to cure the Commission-determined violation concerning Item 8. However, as noted above, the Division still has not received the updated plan.

PEMC's submissions are inadequate. This violation remains uncured.

Item 8.

This item concerns the Public Awareness Program effectiveness review. PEMC provided additional information to the Division on April 5, 2019. However, PEMC did not provide the Division PEMC's updated Public Awareness Program Plan incorporating this additional information. It appears as though this violation is much closer to being cleared than it was before. Once the Division has been provided PEMC's updated Public Awareness Program Plan, PEMC's representations and exhibits may be sufficient to cure the Commission-determined violation concerning Item 8. However, as noted above, the Division still has not received the updated plan.

PEMC's submissions are inadequate. This violation remains uncured.

Item 9.

PEMC's representations and exhibits are insufficient to cure Commission determined violation concerning Item 9.

The Division reviewed the PPMOME. The relevant section is attached as Exhibit M. In the PPMOME, Section No. 5 Normal Operations: Maintenance Under 49 C.F.R Part 192 Subpart "M," page 50, states that:

> The task #1261 Walking Gas Leakage Survey page 121-123 will be used to perform this field operation.

To cure the violation, PEMC must do or correct several things:

> Leak detection equipment must be calibrated.

> Records should indicate each facility surveyed, the survey date, the person who conducted the survey, and the survey result.
>
> Surveys must be performed and recorded on all required Transmission Pipelines (including pipe, valves, above ground facilities and appurtenances, meter stations, etc. - including those that are off the main pipeline ROW. (See Pipeline definition under §192.3).
>
> Records should indicate the survey method (vegetation, leak detector equipment, aerial, foot, etc.), and the type/model of any leak detection equipment used.

PEMC has not yet complied with these requirements. PEMC's submissions are inadequate. Among other things, PEMC does not specify that the leak detector was a _gas_ detecting device, that it was calibrated, and PEMC's reporting form was not the form from its PPMOME. PEMC has not provided the Division with an updated PPMOME demonstrating that the text under each item has been added and where it has been added. The April 17, 2019 Letter references Exhibit F. However, the records provided are incomplete and do not follow the PPMOME.

The activities detailed on Exhibit F are inadequate to demonstrate compliance and cure the violation. Exhibit F does not demonstrate compliance and is inadequate to cure the violation. Given Mr. Ahmad's testimony at the December hearing regarding whether he was "operator qualified," it seems that Mr. Ahmad does not have the Operator Qualifications necessary to perform this cover task along the pipeline. PEMC's activities are inadequate to demonstrate compliance and cure the violation.

PEMC's submissions are inadequate. The violation remains uncured.

Item 10.

PEMC provided additional information to the Division on April 17, 2019. It appears as though this violation is much closer to being cleared than it was before. Once PEMC provides the Division an updated PPMOME incorporating its updated specific accidental ignition minimization procedures and incorporating appropriate forms, it is likely that PEMC's representations and exhibits will be sufficient to cure the Commission determined violation

concerning Item 10. The Division notes that PEMC's Exhibit G is dated before the PPMOME revisions. However, as noted above, the Division still has not received the updated plan.

PEMC's submissions are inadequate. The violation remains uncured.

Item 11.

PEMC's representations and exhibits are insufficient to cure Commission determined violation concerning Item 11.

The Division reviewed the PPMOME and could not find any procedures for welder qualifications and welding on a 16" steel pipeline.

To cure this violation, PEMC must do several things. Exhibit H is merely a copy of certain API standards and is insufficient to cure this violation. PEMC's PPMOME must incorporate these standards and select a procedure. PEMC has not provided the Division with an updated PPMOME demonstrating that the text under each item has been added and where it has been added. PEMC's activities and the activities detailed on Exhibit H are inadequate to demonstrate compliance and cure the violation.

PEMC's submission are inadequate. The violation remains uncured.

Item 12.

The Commission agreed that this item was cured. No additional action by PEMC is required.

EXHIBIT 1

PACIFIC ENERGY & MINING CO

April 17, 2019

Jimmy Betham
Pipeline Safety Engineer
State of Utah
Department of Commerce
Division of Public Utilities
160 East 300 South
PO Box 146751
Salt Lake City, UT 84114-6751

Subject: Commission order

Dear Mr. Betham:

I have placed a number of phone calls to you and to your office including a few emails requesting a call to discuss the issues. On April 16, 2019 I called the Division and was informed that you are out of the office, however the person on the line informed me that there is confusion concerning your letter dated in January 2, and March 22 of this year. January 2, 2019 letter listed 5 items, including 2 which were carryover from 2016. The March 22, 2019 letter had four issues with the same 2 carryover from 2016. The language in the letter led us to believe that only the 5 items listed in the letter were to be addressed as all other issues were resolved. Thus, the Commission's order listing 11 violations was thus a surprise.

I have reviewed the commission's order on pages 23 and 24 and are addressing each of the issues in the attached addendum. Some of the items in this order were addressed in the January 3, 2019 and April 5, 2019 letters to your office.

I will appreciate your immediate attention to this matter and a timely response and telephone call so we can discuss if there are additional items that you require.

Sincerely,

Tariq Ahmad

Cc: Terry R. Spencer
Dan Green
PSC

3550 Baron Way Suite 13a, Reno, NV 89511 Phone 775 852 7444 Fax 775 333 0225
www.pemc.us

ADDENDUM OPERATIONS AND MAINTENANCE MANUAL

Item 1.

"for failing to establish and periodically review its operations and maintenance manuals, and to document and record those manuals for inspection by the DPU" - 192.605(b)(8)

Operations and Maintenance is to be done in accordance with the O&M manual, Work performed in all areas covered by Part 192 will be reviewed through records submitted by field personnel and by on-site observation of work preparation, progress, and completion. The work reviews will be done with the applicable procedures in mind and evaluated on that basis. Any deficiencies in the manner any work is being done will be discussed and training and/or modification of the procedures will be done as appropriate.

The manuals have been reviewed yearly and the documentation is in Greenriver, Utah. See Exhibit A.

Item 2.

Periodically reviewing the response of operator personnel to determine the effectiveness of the procedures controlling abnormal operation and taking corrective action where deficiencies are found. **"For failing to perform reviews of any abnormal conditions that have existed in the pipeline, and to document and record that information for inspection by the DPU" – 192.605(c)(4).**

Work performed in all areas covered by Part 192, specifically response of operator personnel to abnormal operating conditions will be reviewed through records submitted by field personnel and by on-site observation of operator personnel response to abnormal operation. The work reviews will be done with the applicable procedures in mind and evaluated on that basis. Any deficiencies in the in the manner of the response will be discussed and training and/or corrective action will be taken when deficiencies are found.

No abnormal conditions have been experienced by the Operator. A record has been kept and it is in Greenriver, Utah. See Exhibit A.

Item 3.

Each Operator shall train the appropriate operating personnel to assure that they are knowledgeable of the emergency procedures and verify that the training is effective. **"for failing to train its personnel about its emergency plan, and to document and record that training for inspection by the DPU"192.615(b)(2).**

Operator shall train its field personal on the emergency procedures as outlined in O&M manual, periodic review will be done with field personnel to go over emergency procedures, both in the field and reviewing the manual. Records submitted by field personnel and by on-sire observation of field personnel will be conducted. Emergency procedures will be conducted periodically with field personnel to determine the field personnel's response to emergencies, any deficiencies in the manner of the emergency procedures will be discussed and training and/or modifications of the procedures will be done as appropriate.

Training is conducted semi-annually a record of the training for the emergency plan is kept in Greenriver Utah for inspection by DPU. See Exhibit C.

Item 4.

Each operator shall review employee activities to determine whether the procedures were effectively followed in each emergency **"for failing to review its employees' activities in an emergency planning mock drill or other exercise, and to document and record that training for inspection by the DPU"- 49 CFR 192.615(b)(3)**

Work performed in all areas covered by Part 192 will be reviewed through records submitted by field personnel and by on-site observation of work preparation, progress, and completion. The work reviews will be done with the applicable procedures in mind and evaluated on that basis. Any deficiencies in the manner any work is being done will be discussed and training and/or modification of the procedures will be done as appropriate.

A copy of the latest edition of the emergency plan will be provided to supervisors responsible for emergency action. Training will be provided to operating personnel on the requirements of the emergency plan and the effectiveness of the training will be documented. After each emergency, employees activities will be reviewed to determine if the procedures were effectively followed.

Mock exercise for emergency procedure is done every June. A record of the exercise is kept in Greenriver, Utah. See Exhibit D.

Item 5.

Each operator shall establish and maintain liaison with appropriate fire, police and other public officials. **"for failing to maintain liaisons with emergency (e.g., fire, police, and public) officials, and to document and record those meetings for inspection by the DPU.) 49 CFR 192.615 (c)**

- Learn the responsibility and resources of each government organization that may respond to a gas pipeline emergency.
- Acquaint the officials with your abilities in responding to a gas pipeline emergency.
- Identify the types of gas pipeline emergencies which you may notify the officials of.
- Plan how you and the public officials can engage in mutual assistance to minimize hazards to life or property.

Pursuant to the above, Pacific has contacted the fire, police, Highway Patrol and the County Sheriff and determined the capabilities of each of the above agencies. Pacific has provided each of the agencies with its emergency contact information. Pacific has periodically contacted each of the agencies to update the agencies as to any change in operations. Pacific has provided the following to each of the above agencies:

- Location of transmission pipelines that cross their area of jurisdiction, and how to get detailed information regarding those pipelines.
- Name of the pipeline operator and the emergency contact information for each pipeline
- Information about the potential hazards of the subject pipeline.
- Location of emergency response plans with respect to the subject pipelines.
- How to notify the pipeline operator regarding questions, concerns, or emergency.
- How to safely respond to a pipeline emergency.
- An overview of what operators do to prevent accidents and mitigate the consequences of accidents when they occur.
- How to contact the pipeline operator with questions or comments about public safety, additional overview information on Integrity Management Programs to protect High Consequence Areas under their jurisdiction.

The Company provides public awareness messages twice annually. The public awareness message must include:

1. A description of the purpose and reliability of the pipeline;
2. An overview of the hazards of the pipeline and prevention measures used;
3. Information about damage prevention;
4. How to recognize and respond to a leak; and
5. How to get additional information.

Copies of the meeting records kept in Greenriver, Utah. See Exhibit E.

Item 6.

The program must include activities to advise affected municipalities, school districts, businesses, and residents of pipeline locations. The program and the media used must be as comprehensive as necessary to reach all areas in which the operator transports gas. **"For failing to establish a public awareness program for its operator to contact cities, schools, businesses, and residents along its pipeline and right-of-way, and to document and record that program for inspection by DPU." 49 CFR 192.616(e),(f)**

Pacific has provided the City of Moab, City of Greenriver, the Moab School District, the businesses within 600 feet of the pipeline and residents within the 600 fees of the pipeline with the Public Awareness Program including the location of the Pipeline, Pacific's facilities, the emergency telephone number for Pacific and the local first responders. The public Awareness Program is incorporated by reference herein.
Pacific has followed the guidelines by API 1162 section.

- Pipeline purpose and reliability
- Awareness of hazards and prevention measures undertaken
- Damage prevention awareness
- One-call requirements
- Leak recognition and response
- Pipeline location information
- How to get additional information
- Availability of list of pipeline operators through NPMS
- Targeted distribution of print materials
- Pipeline markers
- Information and/or overview of operator
- Integrity Management Program
- ROW encroachment prevention
- Any planned major maintenance/construction activity

The Public Awareness Program has been established and provided to the DPU January, 3 2019. Additional information was provided on April 5, 2019.

Item 7.

The program must be conducted in English and in other languages commonly understood by a significant number and concentration of the non-English speaking population in the operator's area. 49 CFR 192.616(g)

Pacific used the United States Census Bureau statistics to determine the significant population concentration. In the Pipeline operator area Hispanics constituted the highest concentration of non English speaking population and has provided all information pursuant to **49 CFR 192.616 Public Awareness Program** incorporated herein by reference. Additionally Pacific holds annual open house and provides the program description in English and Spanish. All written materials are also provided in both English and Spanish.

The public awareness program was published in Spanish and provided the same to DPU on January 33, 2019. Additional information as to determination of census was provided on April 5, 2019.

Item 8.

Operators in existence on June 20, 2005, must have completed their written programs no later than June 20, 2006. The Operator of a master meter or petroleum gas system covered under paragraph (j) of this section must complete development of its written procedure by June 13, 2008. Upon request, operators must submit their completed programs to PHMSA or, in the case of an intrastate pipeline facility operator, the appropriate State agency **"for failing to provide**

an effective review of its public awareness program, ad to document and record that information for inspection by the DPU.". 49 CFR 192.616(h)

Pacific has completed and submitted it Public Awareness Program to the State of Utah Division of Pipeline Safety. The PAP is also published on Pacific's website. The Public Awareness Program was submitted to DPU During last quarter of 2018. Additional items in reference to the PAP were addressed in Pacific's response in January and April of 2019.

Item 9.

Leakage surveys of a transmission line must be conducted at intervals not exceeding 15 months, but at least once each calendar year. However, in the case of a transmission line which transports gas in conformity with 192.625 without an odor or odorant, leakage surveys using leak detector equipment must be conducted. 49 CFR 192.706

Pacific's natural gas transmission line has natural gas that has natural odor. Pacific has conducted yearly leakage surveys since 2010. A copy of the leak survey is attached as Exhibit F.

Item 10.

Each operator shall take steps to minimize the danger of accidental ignition of gas in any structure or area where presence of gas constitutes a hazard of fire or explosion." **For failing to take steps to minimize accidental ignition of gas along its pipeline, and to document those measures for inspection by the DPU." 49 CFR 192.751**

Pacific takes the following steps to minimize accidental ignition of gas along its pipeline.

(a) When a hazardous amount of gas is being vented into open air, each potential source of ignition must be removed from the area and a fire extinguisher must be provided.

(b) Gas or electric welding or cutting may not be performed on pipe or on pipe components that contain a combustible mixture of gas and air in the area of work.

(c) Post warning signs, where appropriate.

When releasing gas ensure that no ignition sources are present, including clothing that can create a static buildup.

Welding or cutting on a pipeline containing a combustible mixture is prohibited.

Lighters and matches are not allowed in any structure or any work area along the pipeline

Smoking is not allowed within 100 feet of the structure or pipeline work area

No Smoking signs are posted at the structure.

At all times during construction or maintenance fires extinguishers are on site.

Records are available for inspection in Greenriver, Utah. Exhibit G.

Item 11.

Qualifications of and limitations on welders and welding operators 49 CFR 192.227 - 229

The company shall use API 1104 Section 6 standard for qualifications and limitations on welders and welding operators. API 1104 is incorporated by reference. Nineteenth Edition 1999, Errata 2001. See Exhibit H.

Item 12.

Non-destructive testing requirements.

The commission agreed that this item was cured.

EXHIBIT A

REVIEW OF OPERATIONS AND MAINTENANCE MANUAL

Date	Attendance	Reviewed
6/1/2015	Don Tony Rodney	Yes
6/8/2016	Don Tony Rodney	Yes
7/15/2018	Don Rodney	Yes

EXHIBIT B

Review of abnormal conditions

Year 2018

Abnormal conditions were not observed during the year

REVIEW OF ABNORMAL CONDITIONS

2017

None

REVIEW OF ABNORMAL CONDITIONS

~~2016~~ None

REVIEW OF ABNORMAL CONDITIONS

2015

None

REVIEW OF ABNORMAL CONDITIONS

2014 None

EXHIBIT C

REVIEW AND TRAINING RECORD FOR EMERGENCY PLAN

Attended	Date	Reviewed
Rodney Don Green Tony Allen	6/1/2015	Yes
Rodney Don Green Tony Allen	6/8/2016	Yes
Rodney Don Green	7/15/2017	Y
Rodney Don Green	7/15/2018	Y

EXHIBIT D

MOCK DRILL EMERGENCY PROCEDURES

Date	Reviewed
7/15/2018	Tes Sy

Comments:

Obsered Don of Rodney shut gas from the plant to the main line. shut of Gas from Pig Launcher to Manlw all safety and energy Procedure followed

6/1/2017 Read by Gary

all procedures followed. Instructed Rodney to leave his lights in his vehicle. Place rubber Matt to prevent static discharge Discharge electric static by grounding with truck.

EXHIBIT E

RECORD OF LIASON WITH PUBLIC AGENCIES

Agency Name: **City of Greenriver Fire Department**

City of Greenriver, Utah

City of Moab, Utah

City of Moab Fire Department

Moab Airport

Grand County, Sheriff

Emery County Sheriff

Highway Patrol

Contact Date: June 1 2016 _____

June 1 2017 _____

July 15 2018 _____

EXHIBIT F

Yearly Leak Survey

Survey Date: Oct. 3, 2018

Surveyor: TARIQ AHMAD

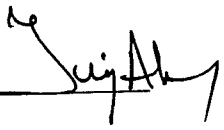
Miles Surveyed: 21

Leaks detected: None

Leak location: ———

Notes:

No leaks

Signature: 

Date: 10/3/2018

Yearly Leak Survey

Survey Date: June 3, 2015

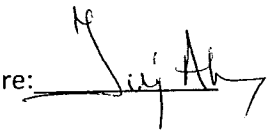
Surveyor: TARIQ AHMAD

Miles Surveyed: 21

Leaks detected: Non

Leak location:

Notes:

Signature: 

Date: 6/3/2015

Yearly Leak Survey

Survey Date: 8/1/2014

Surveyor: TARIQ

Miles Surveyed: 21

Leaks detected: None

Leak location:

Notes:

Signature: _____

Date: 8/1/2014

EXHIBIT G

ACCIDENTAL IGNITION PREVENTION PROCEDURES RECORD

When releasing gas ensure that no ignition sources are present, including clothing that can create a static buildup.

Welding or cutting on a pipeline containing a combustible mixture is prohibited.

Lighters and matches are not allowed in any structure or any work area along the pipeline

Smoking is not allowed within 100 feet of the structure or pipeline work area

No Smoking signs are posted at the structure.
At all times during construction or maintenance fires extinguishers are on site.

Maintenance Date:	Check if Procedures followed
10/1/2018	Yes
1/25/2018	Yes
7/5/2018	Yes
4/2/2018	Yes
2/15/2018	Yes Tariq Ahmad
12/5/2017	Yes Tariq Ahmad
7/5/2017	Yes Tariq Ahmad
4/20/2017	Yes Tariq Ahmad

EXHIBIT H

5.8 TESTING OF WELDED JOINTS—FILLET WELDS

5.8.1 Preparation

To test the fillet-welded joint, test specimens shall be cut from the joint at the locations shown in Figure 10. At least four specimens shall be taken and prepared as shown in Figure 11. The specimens may be machine cut or oxygen cut. They should be at least 1-in. (25-mm) wide and long enough so that they can be broken in the weld. For pipes less than 2.375 in. (60.3 mm) in outside diameter, it may be necessary to make two test welds to obtain the required number of test specimens. The specimens shall be air cooled to ambient temperature prior to testing.

5.8.2 Method

The fillet-weld specimens shall be broken in the weld by any convenient method.

5.8.3 Requirements

The exposed surfaces of each fillet-weld specimen shall show complete penetration and fusion, and a) the greatest dimension of any gas pocket shall not exceed $^1/_{16}$ in. (1.6 mm), b) the combined area of all gas pockets shall not exceed 2% of the exposed surface area, c) slag inclusions shall not be more than $^1/_{32}$ in. (0.8 mm) in depth and shall not be more than $^1/_8$ in. (3 mm) or one-half the nominal wall thickness in length, whichever is smaller, and d) there shall be at least $^1/_2$ in. (12 mm) separation between adjacent slag inclusions. The dimensions should be measured as shown in Figure 8.

6 Qualification of Welders

6.1 GENERAL

The purpose of the welder qualification test is to determine the ability of welders to make sound butt or fillet welds using previously qualified procedures. Before any production welding is performed, welders shall be qualified according to the applicable requirements of 6.2 through 6.8. It is the intent of this standard that a welder who satisfactorily completes the procedure qualification test is a qualified welder, provided the number of test specimens required by 6.5 have been removed, tested, and meet the acceptance criteria of 5.6, for each welder.

Prior to starting the qualification tests, the welder shall be allowed reasonable time to adjust the welding equipment to be used. The welder shall use the same welding technique and proceed with the same speed he will use if he passes the test and is permitted to do production welding. The qualification of welders shall be conducted in the presence of a representative acceptable to the company.

A welder shall qualify for welding by performing a test on segments of pipe nipples or on full-size pipe nipples, as specified in 6.2.1. When segments of pipe nipples are used, they shall be supported so that typical flat, vertical, and overhead welds are produced.

The essential variables associated with procedure and welder qualifications are not identical. The essential variables for welder qualification are specified in 6.2.2 and 6.3.2.

6.2 SINGLE QUALIFICATION

6.2.1 General

For single qualification, a welder shall make a test weld using a qualified procedure to join pipe nipples or segments of pipe nipples. The welder shall make a butt weld in either the rolled or the fixed position. When the welder is qualifying in the fixed position, the axis of the pipe shall be in the horizontal plane, in the vertical plane, or inclined from the horizontal plane at an angle of not more than 45°.

A welder making a single-qualification test for branch connections, fillet welds, or other similar configurations shall follow the specific procedure specification.

Changes in the essential variables described in 6.2.2 require requalification of the welder.

The weld shall be acceptable if it meets the requirements of 6.4 and either 6.5 or 6.6.

6.2.2 Scope

A welder who has successfully completed the qualification test described in 6.2.1 shall be qualified within the limits of the essential variables described below. If any of the following essential variables are changed, the welder using the new procedure shall be requalified:

a. A change from one welding processes to another welding process or combination of processes, as follows:

1. A change from one welding process to a different welding process; or
2. A change in the combination of welding processes, unless the welder has qualified on separate qualification tests, using each of the welding processes that are to be used for the combination of welding processes.

b. A change in the direction of welding from vertical uphill to vertical downhill or vice versa.

c. A change of filler-metal classification from Group 1 or 2 to Group 3, or from Group 3 to Group 1 or 2 (see Table 1).

d. A change from one outside-diameter group to another. These groups are defined as follows:

1. Outside diameter less than 2.375 in. (60.3 mm).
2. Outside diameter from 2.375 in. (60.3 mm) through 12.750 in. (323.9 mm).
3. Outside diameter greater than 12.750 in. (323.9 mm).

e. A change from one wall-thickness group to another. These groups are defined as follows:

1. Nominal pipe wall thickness less than 0.188 in. (4.8 mm).
2. Nominal pipe wall thickness from 0.188 in. (4.8 mm) through 0.750 in. (19.1 mm).
3. Nominal pipe wall thickness greater than 0.750 in. (19.1 mm).

f. A change in position from that for which the welder has already qualified (for example, a change from rolled to fixed or a change from vertical to horizontal or vice versa). A welder who successfully passes a butt-weld qualification test in the fixed position with the axis inclined 45° from the horizontal plane shall be qualified to do butt welds and lap fillet welds in all positions.

g. A change in the joint design (for example, the elimination of a backing strip or a change from V bevel to U bevel).

6.3 MULTIPLE QUALIFICATION

6.3.1 General

For multiple qualification, a welder shall successfully complete the two tests described below, using qualified procedures.

For the first test, the welder shall make a butt weld in the fixed position with the axis of the pipe either in the horizontal plane or inclined from the horizontal plane at an angle of not more than 45°. This butt weld shall be made on pipe with an outside diameter of at least 6.625 in. (168.3 mm) and with a wall thickness of at least 0.250 in. (6.4 mm) without a backing strip. The weld shall be acceptable if it meets the requirements of 6.4 and either 6.5 or 6.6. Specimens may be removed from the test weld at the locations shown in Figure 12, or they may be selected at the relative locations shown in Figure 12 but without reference to the top of the pipe, or they may be selected from locations that are spaced equidistantly around the entire pipe circumference. The sequence of adjacent specimen types shall be identical to that shown in Figure 12 for the various pipe diameters.

For the second test, the welder shall lay out, cut, fit, and weld a full-sized branch-on-pipe connection. This test shall be performed with a pipe diameter of at least 6.625 in. (168.3 mm) and with a nominal wall thickness of at least 0.250 in. (6.4 mm). A full-size hole shall be cut in the run. The weld shall be made with the run-pipe axis in the horizontal position and the branch-pipe axis extending vertically downward from the run. The finished weld shall exhibit a neat, uniform workman-like appearance.

The weld shall exhibit complete penetration around the entire circumference. Completed root beads shall not contain any burn-through of more than $^1/_4$ in. (6 mm). The sum of the maximum dimensions of separate unrepaired burn-throughs in any continuous 12-in. (300-mm) length of weld shall not exceed $^1/_2$ in. (13 mm).

Four nick-break specimens shall be removed from the weld at the locations shown in Figure 10. They shall be prepared and tested in accordance with 5.8.1 and 5.8.2. The exposed surfaces shall meet the requirements of 5.8.3.

6.3.2 Scope

A welder who has successfully completed the butt-weld qualification test described in 6.3.1 on pipe with an outside diameter greater than or equal to 12.750 in. (323.9 mm) and a full-size branch-connection weld on pipe with an outside diameter greater than or equal to 12.750 in. (323.9 mm) shall be qualified to weld in all positions; on all wall thicknesses, joint designs, and fittings; and on all pipe diameters. A welder who has successfully completed the butt-weld and branch connection requirements of 6.3.1 on pipe with an outside diameter less than 12.750 in. (323.9 mm) shall be qualified to weld in all positions; on all wall thicknesses, joint designs, and fittings; and on all pipe outside diameters less than or equal to the diameter used by the welder in the qualification tests.

If any of the following essential variables are changed in a procedure specification, the welder using the new procedure shall be requalified:

a. A change from one welding process to another welding process or combination of processes, as follows:
   1. A change from one welding process to a different welding process; or
   2. A change in the combination of welding processes, unless the welder has qualified on separate qualification tests, each using the same welding process that is used for the combination of welding processes.

b. A change in the direction of welding from vertical uphill to vertical downhill, or vice versa.

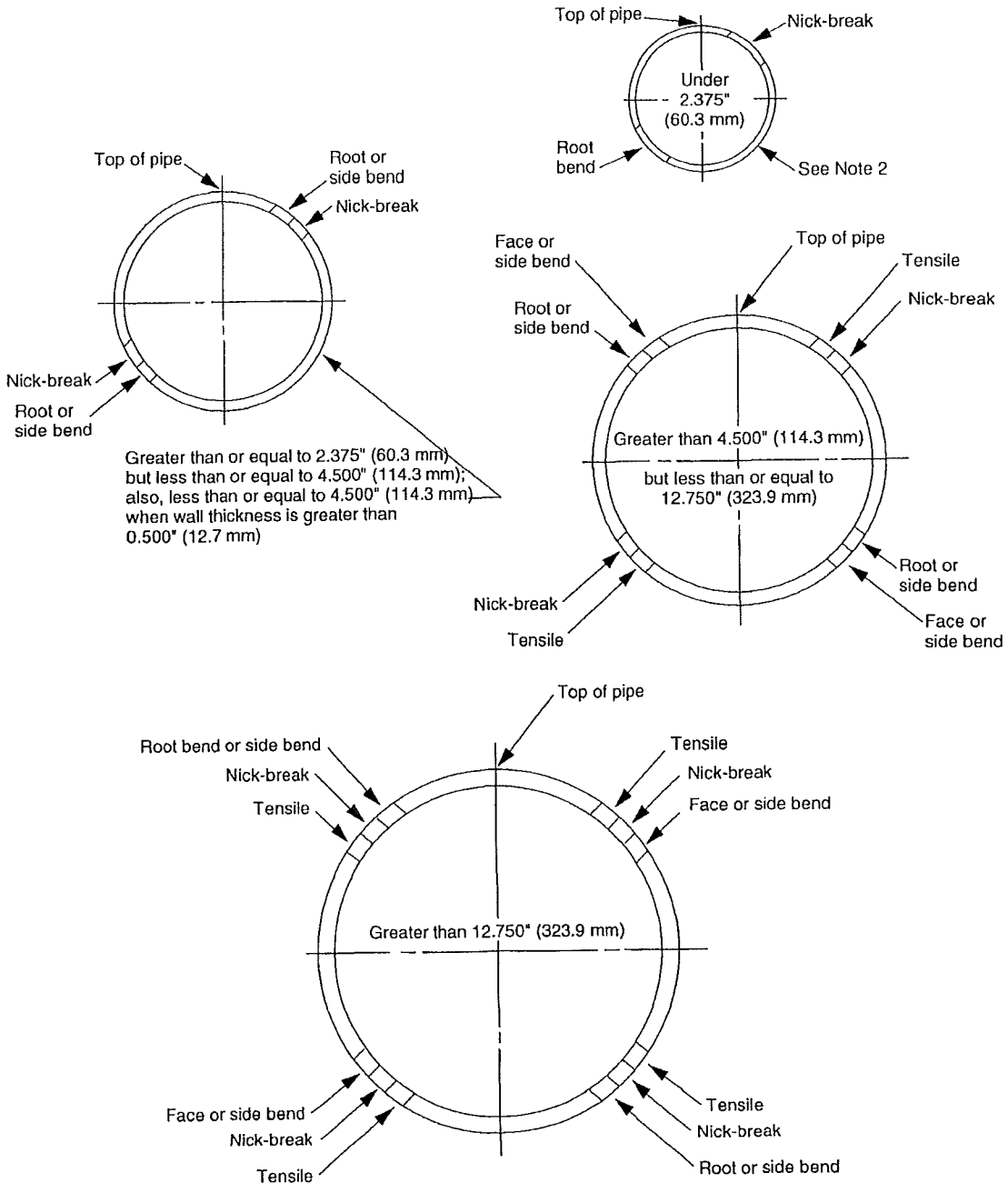
c. A change of filler-metal classification from Group 1 or 2 to Group 3 or from Group 3 to Group 1 or 2 (see Table 1).

6.4 VISUAL EXAMINATION

For a qualification test weld to meet the requirements for visual examination, the weld shall be free from cracks, inadequate penetration, and burn-through, and must present a neat workman-like appearance. The depth of undercutting adjacent to the final bead on the outside of the pipe shall not be more than $^1/_{32}$ in. (0.8 mm) or 12.5% of the pipe wall thickness, whichever is smaller, and there shall not be more than 2 in. (50 mm) of undercutting in any continuous 12-in. (300-mm) length of weld.

When semiautomatic or automatic welding is used, filler wire protruding into the inside of the pipe shall be kept to a minimum.

Failure to meet the requirements of this subsection shall be adequate cause to eliminate additional testing.



Notes:

1. At the company's option, the locations may be rotated, provided they are equally spaced around the pipe; however, specimens shall not include the longitudinal weld.
2. One full-section tensile-strength specimen may be used for pipe with an outside diameter less than or equal to 1.315 in. (33.4mm).

Figure 12—Location of Test Butt-Weld Specimens for Welder Qualification Test

6.5 DESTRUCTIVE TESTING

6.5.1 Sampling of Test Butt Welds

To test butt welds, samples shall be cut from each test weld. Figure 12 shows the locations from which the specimens are to be removed if the test weld is a complete circumferential weld. If the test weld consists of segments of pipe nipples, an approximately equal number of specimens shall be removed from each segment. The total number of specimens and the tests to which each shall be submitted are shown in Table 3. The specimens shall be air cooled to ambient temperature prior to testing. For pipe with an outside diameter less than or equal to 1.315 in. (33.4 mm), one full-pipe section specimen may be substituted for the root-bend and nick-break specimens. This full-section specimen shall be tested in accordance with 5.6.2.2 and shall meet the requirements of 6.5.3.

6.5.2 Tensile-Strength, Nick-Break, and Bend-Test Procedures for Butt Welds

The specimens shall be prepared for tensile-strength, nick-break and bend tests, and the tests shall be performed as described in 5.6. However, for the purpose of welder qualification, it is not necessary to calculate the tensile strength of the coupons. The tensile strength test may even be omitted, in which case the specimens designated for the test shall be subjected to the nick-break test.

6.5.3 Tensile-Strength Test Requirements for Butt Welds

For the tensile-strength test, if any of the reduced-section specimens or the full-section specimen breaks in the weld or at the junction of the weld and the parent material and fails to meet the soundness requirements of 5.6.3.3, the welder shall be disqualified.

6.5.4 Nick-Break Test Requirements for Butt Welds

For the nick-break test, if any specimen shows imperfections that exceed those allowed by 5.6.3.3, the welder shall be disqualified.

6.5.5 Bend Test Requirements for Butt Welds

For the bend tests, if any specimen shows imperfections that exceed those allowed by 5.6.4.3 or 5.6.5.3, the welder shall be disqualified. Welds in high-test pipe may not bend to the full U shape. These welds shall be considered acceptable if the specimens that crack are broken apart and their exposed surfaces meet the requirements of 5.6.3.3.

If one of the bend test specimens fails to meet these requirements and, in the company's opinion, the imperfection observed is not representative of the weld, the test specimen may be replaced by an additional specimen cut adjacent to the one that failed. The welder shall be disqualified if the additional specimen also shows imperfections that exceed the specified limits.

6.5.6 Sampling of Test Fillet Welds

To test fillet welds, specimens shall be cut from each test weld. Figure 10 shows the locations from which the specimens are to be removed if the test weld is a complete circumferential weld. If the test weld consists of segments of pipe nipples, an approximately equal number of specimens shall be removed from each segment. The specimens shall be air cooled to ambient temperature prior to testing.

Table 3—Type and Number of Butt-Weld Test Specimens per Welder for Welder Qualification Test and Destructive Testing of Production Welds

Outside Diameter of Pipe		Number of Specimens					
Inches	Millimetres	Tensile Strength	Nick-Break	Root Bend	Face Bend	Side Bend	Total
		Wall Thickness ≤ 0.500 in. (12.7 mm)					
< 2.375	< 60.3	0	2	2	0	0	4[a]
2.375–4.500	60.3–323.9	0	2	2	0	0	4
> 4.500–12.750	114.3–323.9	2	2	2	0	0	6
> 12.750	> 323.9	4	4	2	2	0	12
		Wall Thickness > 0.500 in. (12.7 mm)					
≤ 4.500	≤ 114.3	0	2	0	0	2	4
> 4.500–12.750	> 114.3–323.9	2	2	0	0	2	6
> 12.750	> 323.9	4	4	0	0	4	12

[a]For pipe less than or equal to 1.315 in. (33.4 mm) in outside diameter, specimens from two welds or one full-section tensile-strength specimen shall be taken.

6.5.7 Test Method and Requirements for Fillet Welds

The fillet-weld specimens shall be prepared and the test shall be performed as described in 5.8.

6.6 RADIOGRAPHY—BUTT WELDS ONLY

6.6.1 General

At the company's option, the qualification butt weld may be examined by radiography in lieu of the tests specified in 6.5.

6.6.2 Inspection Requirements

Radiographs shall be made of each of the test welds. The welder shall be disqualified if any of the test welds do not meet the requirements of 9.3.

Radiographic inspection shall not be used for the purpose of locating sound areas or areas that contain imperfections and subsequently making tests of such areas to qualify or disqualify a welder.

6.7 RETESTING

If, in the mutual opinion of the company and the contractor's representatives, a welder fails to pass the qualification test because of unavoidable conditions or conditions beyond his control, the welder may be given a second opportunity to qualify. No further retests shall be given until the welder has submitted proof of subsequent welder training that is acceptable to the company.

6.8 RECORDS

A record shall be maintained of the tests given to each welder and of the detailed results of each test. A form similar to that shown in Figure 2 should be used. (This form should be developed to suit the needs of the individual company but must be sufficiently detailed to demonstrate that the qualification test met the requirements of this standard.) A list of qualified welders and the procedures for which they are qualified shall be maintained. A welder may be required to requalify if a question arises about his competence.

7 Design and Preparation of a Joint for Production Welding

7.1 GENERAL

Piping shall be welded by qualified welders using qualified procedures. The surfaces to be welded shall be smooth, uniform, and free from laminations, tears, scale, slag, grease, paint, and other deleterious material that might adversely affect the welding. The joint design and spacing between abutting ends shall be in accordance with the procedure specification used.

7.2 ALIGNMENT

The alignment of abutting ends shall minimize the offset between surfaces. For pipe ends of the same nominal thickness, the offset should not exceed $^1/_8$ in. (3 mm). Larger variations are permissible provided the variation is caused by variations of the pipe end dimensions within the pipe purchase specification tolerances, and such variations have been distributed essentially uniformly around the circumference of the pipe. Hammering of the pipe to obtain proper lineup should be kept to a minimum.

7.3 USE OF LINEUP CLAMP FOR BUTT WELDS

Lineup clamps shall be used for butt welds in accordance with the procedure specification. When it is permissible to remove the lineup clamp before the root bead is completed, the completed part of the bead shall be in approximately equal segments spaced approximately equally around the circumference of the joint. However, when an internal lineup clamp is used and conditions make it difficult to prevent movement of the pipe or if the weld will be unduly stressed, the root bead shall be completed before clamp tension is released. Root-bead segments used in connection with external clamps shall be uniformly spaced around the circumference of the pipe and shall have an aggregate length of at least 50% of the pipe circumference before the clamp is removed.

7.4 BEVEL

7.4.1 Mill Bevel

All mill bevels on pipe ends shall conform to the joint design used in the procedure specification.

7.4.2 Field Bevel

Pipe ends should be field beveled by machine tool or machine oxygen cutting. If authorized by the company, manual oxygen cutting may also be used. The beveled ends shall be reasonably smooth and uniform, and dimensions shall be in accordance with the procedure specification.

7.5 WEATHER CONDITIONS

Welding shall not be done when the quality of the completed weld would be impaired by the prevailing weather conditions, including but not limited to airborne moisture, blowing sands, or high winds. Windshields may be used when practical. The company shall decide if weather conditions are suitable for welding.

7.6 CLEARANCE

When the pipe is welded above ground, the working clearance around the pipe at the weld should not be less than 16 in. (400 mm). When the pipe is welded in a trench, the bell hole

shall be large enough to provide the welder or welders with ready access to the joint.

7.7 CLEANING BETWEEN BEADS

Scale and slag shall be removed from each bead and groove. Power tools shall be used when called for in the procedure specification; otherwise, cleaning may be performed with either hand or power tools.

When semiautomatic or automatic welding is used, surface porosity clusters, bead starts, and high points shall be removed by grinding before weld metal is deposited over them. When requested by the company, heavy glass deposits shall be removed before weld metal is deposited over them.

7.8 POSITION WELDING

7.8.1 Procedure

All position welds shall be made with the parts to be joined secured against movement and with adequate clearance around the joint to allow the welder or welders space in which to work.

7.8.2 Filler and Finish Beads

For position welding, the number of filler and finish beads shall allow the completed weld a substantially uniform cross section around the entire circumference of the pipe. At no point shall the crown surface fall below the outside surface of the pipe, nor should it be raised above the parent metal by more than $^1/_{16}$ in. (1.6 mm).

Two beads shall not be started at the same location. The face of the completed weld should be approximately $^1/_8$ in. (3 mm) wider than the width of the original groove. The completed weld shall be thoroughly brushed and cleaned.

7.9 ROLL WELDING

7.9.1 Alignment

At the company's option, roll welding shall be permitted, provided alignment is maintained by the use of skids or a structural framework with an adequate number of roller dollies to prevent sag in the supported lengths of pipe.

7.9.2 Filler and Finish Beads

For roll welding, the number of filler and finish beads shall be such that the completed weld has a substantially uniform cross section around the entire circumference of the pipe. At no point shall the crown surface fall below the outside surface of the pipe, nor should it be raised above the parent metal by more than $^1/_{16}$ in. (1.6 mm).

The face of the completed weld should be approximately $^1/_8$ in. (3 mm) wider than the width of the original groove. As the welding progresses, the pipe shall be rolled to maintain welding at or near the top of the pipe. The completed weld shall be thoroughly brushed and cleaned.

7.10 IDENTIFICATION OF WELDS

Each welder shall identify his work in the manner prescribed by the company.

7.11 PRE- AND POST-HEAT TREATMENT

The procedure specification shall specify the pre- and postheat treatment practices to be followed when materials or weather conditions make either or both treatments necessary.

8 Inspection and Testing of Production Welds

8.1 RIGHTS OF INSPECTION

The company shall have the right to inspect all welds by nondestructive means or by removing welds and subjecting them to mechanical tests. The inspection may be made during the welding or after the weld has been completed. The frequency of inspection shall be as specified by the company.

8.2 METHODS OF INSPECTION

Nondestructive testing may consist of radiographic inspection or another method specified by the company. The method used shall produce indications of imperfections that can be accurately interpreted and evaluated. The welds shall be evaluated on the basis of either Section 9 or, at the company's option, Appendix A. In the latter case, more extensive inspection to determine the imperfection size is required.

Destructive testing shall consist of the removal of completed welds, sectioning of the welds into specimens, and the examination of the specimens. The specimens shall be prepared in accordance with and shall meet the requirements of 6.5. The company shall have the right to accept or reject any weld that does not meet the requirements for the method by which it was inspected. The welder who makes a weld that fails to comply with the requirements may be disqualified from further work.

Operators of nondestructive inspection equipment may be required to demonstrate the inspection procedure's capability to detect defects and the operator's ability to properly interpret the indications given by the equipment.

Trepanning methods of testing shall not be used.

8.3 QUALIFICATION OF INSPECTION PERSONNEL

Welding inspection personnel shall be qualified by experience and training for the specified inspection task they perform. Their qualifications shall be acceptable to the company.

EXHIBIT 2

PACIFIC ENERGY & MINING COMPANY (PEMC)

POLICIES & PROCEDURAL MANUAL FOR OPERATIONS
MAINTENANCE & EMERGENCIES[1]

Plan Prepared By: Terry R. Spencer, Ph.D., Esq. And Dan Green

Date: December 17, 2018

Subject: Paradox Natural Gas Pipeline/ PHMSA (OPID) 39049

Operator: PEMC

Emergency Contacts:

Tariq Ahmad - PEMC President (775) 240-0769
Dan Green - PEMC Contract Compliance Officer (775) 636-3132; or
Rodney Nugent - PEMC Contract Field Supervisor (775) 842-9934.

Emergency Plan: Starts on Page 14

Review of Plan:

1. _____ (Signature)
Print Name: Tariq Ahmad
Date of Review: December 16, 2018

2. _____ (Signature)[2]
Print Name: Dan Green
Date of Review: December 16, 2018

3. _____ (Signature)
Print Name: _____
Date of Review: _____

---

[1] This Manual has been prepared in accordance with 49 C.F.R. §192.605 and is made specifically for the Paradox Natural Gas Pipeline, PHMSA (OPID): 39049

[2] Signature Blocks are continued on the next page.

4. _____ (Signature)
Print Name: _____
Date of Review: _____

5. _____ (Signature)
Print Name: _____
Date of Review: _____

6. _____ (Signature)
Print Name: _____
Date of Review: _____

7. _____ (Signature)
Print Name: _____
Date of Review: _____

8. _____ (Signature)
Print Name: _____
Date of Review: _____

NOTICE TO READER: THIS MANUAL MUST BE REVIEWED AND UPDATED BY PEMC AT INTERVALS NOT EXCEEDING FIFTEEN (15) MONTHS, BUT AT LEAST ONCE EACH CALENDAR YEAR, IF THIS REQUIREMENT IS NOT MET THEN PLEASE CONTACT THE PEMC COMPLIANCE OFFICER, DAN GREEN, IMMEDIATELY.

POLICIES AND PROCEDURES MANUAL SECTION NO. 3
MANUAL UPDATE PROCEDURES

13. GENERAL INSTRUCTIONS AS TO MANUAL UPDATES

a. Policy: Pursuant to 49 C.F.R. § 192.605(a), PEMC is required to review and update this Manual in intervals not exceeding fifteen (15) months, but at least once per calendar year.

b. Procedures: Beginning with the year 2019, all relevant PEMC employees shall meet once per year between December 1st and December 31st to review and update this Manual. At this meeting, the following procedures will be followed:

i. **Location of Policies & Procedures Manual ("Manual"):** A copy of this Manual is located in the Field Offices of PEMC in Green River, Utah. Alternatively, an electronic copy of the Manual may be obtained. To obtain a copy electronically, contact either:

- Dan Green, PEMC Compliance Officer at (775) 636-3132
- Terry R. Spencer, PEMC Legal Counsel at (801) 566-1884 or (801) 244-7778

ii. **Pursuant to 49 C.F.R. § 192.605(b)(8), Review the Operation and Maintenance Procedures is located in Appendix "A" of this Manual:**

- Determine if the procedures contained in this Manual and associated documents were implemented as required by this Manual.
- Determine if the procedures, as written, were effective in addressing any maintenance, operations, or emergency issues that have occurred since the Manual was last updated.
- If new procedures are needed, add the corrected procedures to the Manual and identify where new procedures were added for tracking purposes.

c. Implementation: This Manual was last updated on October 9, 2018, with the next

update due December 31, 2019.

14. DISTRIBUTION OF MANUAL AND TRAINING MATERIALS TO EMPLOYEES AND SUBCONTRACTORS AND EMERGENCY RESPONSE DRILL

a. Distribution of Materials:

i. The PEMC Compliance Officer, Dan Green, will ensure that a copy of this Manual is distributed to and is readily accessible by all PEMC personnel and/or independent contractors working on the Pipeline;

ii. The PEMC Compliance Officer, Dan Green, will ensure that all such independent contractors are proficient in the procedures contain in this Manual; and

iii. The PEMC Compliance Officer, Dan Green, will ensure that he is qualified to instruct all PEMC independent contractors on the contents of this Manual.

b. Emergency Response Drill:

i. As part of the on-going training process, the PEMC Compliance Officer, Dan Green, will annually, in any given twelve (12) month period, conduct an emergency incident response drill that is supervised by the PEMC Compliance Officer. The relevant PEMC independent contractor will visually inspected any above-ground portions of the Pipeline and Pipeline segment valves and switches to be closed or turned off during an "Emergency Incident." (The definition of an "Emergency Incident" is provided below.)

c. Emergency Incident Response Drill Records:

i. A record of these annual Emergency Incident drills shall be kept in APPENDIX "A," – Operations and Maintenance Procedures Task Manual, and will contain the following information:

- Date of Emergency Drill:_____;
- Names of persons, companies & agencies participating:_____
_____

Procedural Manual for Operations, Maintenance & Emergencies
Operator: Pacific Energy & Mining Company (PEMC)
PHMSA - Issued Operator Identification Number (OPID): 39049
Paradox Natural Gas Pipeline, Grand County, Utah

POLICIES AND PROCEDURES MANUAL SECTION NO. 10
ABNORMAL OPERATIONS

52. **ABNORMAL OPERATIONS: REQUIRED REVIEW (49 C.F.R. §195.605(c)(4)):**

Pursuant to 49 C.F.R. §195.605(c)(4), PEMC shall review – within five (5) business days of any emergency incident – or more often if required by either applicable state or federal regulations – any work completed on the Pipeline to determine the effectiveness and adequacy of the procedures used during "abnormal" operation and maintenance. Where a procedural deficiency is found, modified procedures will be adopted to address the deficiency. The following process will be used to complete this task:

53. **ABNORMAL OPERATIONS: GENERAL DEFINITIONS:**

Abnormal Operations are defined as a pressure deviation of twenty percent (20%) from the normal operating pressure of the Pipeline of 750 psig; that is any pressure higher than 960 psig or a pressure of less than 640 psig, If either extreme occurs, then immediate action is required.

A pressure greater than 960 psig indicates a higher than normal pressure from the compressor at the natural gas plant, prior to the regulated section of the Pipeline, that is at the outlet of the said compressor at the point marked as OUTLET OF COMPRESSOR NORTH END OF SIXTEEN INCH (16") PIPELINE. See the Map in Figure/Exhibit # 1.

A pressure lower then 640 psig indicates a possible problem(s), such as a leak in the pipeline, a lower than normal set pressure on the compressor, a compressor shutoff, an opened pressure relief valve, or a leak in the Pipeline and or its attachments.

After taking immediate actions to address an abnormal condition, contact the PEMC Compliance Officer, Dan Green, to discuss the source of the problem and the direction to be taken.

54. **ABNORMAL OPERATIONS: HIGHER THAT ALLOWABLE PRESSURE** (> 960 psig):

The normal operating pressure of this pipeline is set at 750 psig and if it increases by twenty percent (20%) or more, to 960 psig or more, the greater pressure was the cause for a Pipeline shutdown. The PEMC Compliance Officer, Dan Green, must go to the gas plant to address

this issue. (See the Map on Figure/Exhibit # 1) At the gas plant, the PEMC Compliance Officer, Dan Green, must make the following inquiries and/or take the following action:

a. Gas Plant Manager Inquiry: Ask of gas plant supervisor if there are any problems with the compressor, and if the answer is "yes," then have the gas plant personnel fix problem. Then notify the PEMC Compliance Officer, Dan Green, after the compressor has been started, tested. Set the outlet pressure at 750 psig. Determine whether the outlet pressure remains at 750 psig, and if so, turn-off at the required set off pressure of 830 psig.

b. Restarting the Pipeline After Correction of Abnormal Condition: Once any compressor problems are resolved, then complete the following tasks:

   i. Open valve between the OUTLET OF COMPRESSOR NORTH END OF SIXTEEN INCHES (16") PIPELINE and the compressor outlet.

   ii. Open BLOCK VALVE.

   iii. Wait until pressure builds up to 750 psig and hold for one hour.

   iv. Then open valve between the outlet of the sixteen inch (16") Pipeline and the meter located at the TIE-IN TO NORTHWEST PIPELINE.

55. **ABNORMAL OPERATIONS: LOWER THAN ALLOWABLE PRESSURE (< 640 psig) (North Side From the Outlet of the Compressor to the Block Valve):**

The normal operating pressure of this pipeline is set at 750 psig, and if it decreases by twenty percent (20%) or more, to 640 psig or less, and the lower pressure was the cause for the pipeline shutdown The PEMC Compliance Officer, or his designee, must go to the gas plant to address the issue. (see Map on Figure/Exhibit # 1):

a. Gas Plant Manager Inquiry: Ask of gas plant supervisor if there have been any problems with the compressor, and if the answer is "yes,"determine if the compressor was the cause of the low pressure problem. Then have the gas plant personnel fix the compressor problem.

b. Restarting the Pipeline After Correction of Abnormal Condition: After the compressor has been fixed and tested, and the PEMC Compliance Officer, Dan

Green, has been notified and approved the action, restart the Pipeline with an outlet pressure at 750 psig. Then if the pressure remains at 750 psig, turn off at the required set-off pressure, 800 psig. With the repair of the compressor problem solved, the proceed as shown below. If the compressor did not solve the low pressure problem, then start the restart process from the beginning.

c. Take the multi gas monitor, that can monitor Lower Explosive Limit, Oxygen and Methane for safety, and examine all relief valves on the Pipeline.

d. If a relief valve has malfunctioned then notify the PEMC Compliance Officer, Dan Green, and obtain an "Authorization for Maintenance and Repair" form from him. After the relief valve has been replaced by a PEMC employee or authorized independent contractor.

e. Ask the gas plant supervisor to start compressor and ensure outlet pressure is set at 750 psig. If the outlet pressure remains at 750 psig, turn off at the required set-off pressure of 830 psig. If the relief valve replacement solved the pressure problem then proceed as shown below.

f. Inform the PEMC Compliance Officer, Dan Green, and obtain an "Authorization for Maintenance and Repair Record" from him in order to perform a gas leakage survey and possible Pipeline repair. If a leak is detected, have the leak repaired or the section of the Pipeline replaced by a PEMC employee or independent contractor. Then proceed as shown below.

g. Ask the gas plant supervisor to start compressor and ensure outlet pressure is set at 750 psig and if the pressure remains at 750 psig, then turn off at the required set-off pressure of 830 psig. Then proceed as shown below.

h. Open valve between the OUTLET OF COMPRESSOR NORTH END OF 16" LINE and the compressor outlet. Then proceed as shown below.

i. Open BLOCK VALVE. Then proceed as shown below.

j. Wait until pressure builds up to 750 psig and hold for one hour. Then proceed as shown below.

k. Then open valve between the outlet of the sixteen inch (16") Pipeline and the meter

located at the TIE-IN TO NORTHWEST PIPELINE.

56. **ABNORMAL OPERATIONS: LOWER THAN ALLOWABLE PRESSURE (< 640 psig) (South Side From Block Valve south to the Tie-in to Northwest Pipeline):**

The normal operating pressure of this pipeline is set at 750 psig and if the operating pressure decreases by twenty percent (20%) or more, 640 psig or less, and the lower pressure was the cause for the shutdown, then the PEMC Compliance Officer, Dan Green, or his designee, must go to the gas plant to address the issue. Go to ¶ 26(a). (see Map on Figure/Exhibit # 1):

a. Gas Plant Manager Inquiry: Ask the gas plant supervisor if there have been any problems with the compressor, and if the answer is "yes," determine if the compressor was the cause of the low pressure problem. Then have gas plant personnel fix the compressor problem.

b. Restarting the Pipeline After Correction of Abnormal Condition: After the compressor has been fixed and tested, and the PEMC Compliance Officer has been notified and approved the action, restart the Pipeline with and the outlet pressure set at 750 psig. If the pressure remains at 750 psig, turn off at the required set-off pressure of 800 psig. If the repair to the compressor solved the low pressure problem, the compressor shutoff pressure was set too low or the compressor had turned off. If the pressure problem is solved, then proceed as shown below.

c. Take the multi gas monitor, that can monitor Lower Explosive Limit, Oxygen and Methane for safety, and examine all relief valves on the pipeline.

d. If a relief valve has malfunctioned then notify the PEMC Compliance Officer, Dan Green, and obtain an Authorization for Maintenance and Repair form from him. After the relief valve has been replaced by a PEMC employee or authorized subcontractor, then proceed as shown below.

e. Ask the gas plant supervisor to start compressor and ensure outlet pressure is set at 750 psig and then remains at 750 psig, and turn off at the required set-off pressure of 800 psig. If the relief valve replacement solved the problem then proceed to ¶ 26(g) below, otherwise proceed as shown below.

f. Inform the PEMC Compliance Officer and obtain an Authorization for Maintenance

and Repair form from the PEMC Compliance Officer in order to complete a Pipeline gas leakage survey and complete a possible Pipeline repair. If a leak is detected then have the Pipeline section repaired/replaced by a PEMC employee or authorized subcontractor, then proceed as shown below.

g. Ask gas plant supervisor to start compressor and ensure outlet pressure is set at 750 psig. If the pressure remains at 750 psig, turn off at the required set off-pressure of 830 psig. Then proceed as shown below.

h. Open valve between the OUTLET OF COMPRESSOR NORTH END OF 16" LINE and the compressor outlet. Then proceed as shown below.

i. Open BLOCK VALVE. Then proceed as shown below.

j. Wait until pressure builds up to 750 psig and holds at that pressure for one hour. The proceed as shown below.

k. Then open valve between the outlet of the sixteen inch (16") line and the meter located at the TIE-IN TO NORTHWEST PIPELINE.

57. **ABNORMAL OPERATIONS: PERIODIC REVIEW OF SHUT-DOWN PROCEDURES AND CORRECTIVE ACTION BY THE PEMC COMPLIANCE OFFICER:**

This periodic review is a part of ¶ 13, ¶ 14 and ¶ 23 above. In ¶ 13 and ¶ 14, the procedures/repairs/tasks are to be reviewed within ninety (90) days of the work completion date, and updated within one-hundred eighty (180) days of the said date.

58. **ABNORMAL OPERATIONS: SAFETY-RELATED CONDITIONS:**

See generally ¶ 23 above.

59. **FILING SAFETY-RELATED CONDITION REPORTS:**

See generally ¶ 23 above.

POLICIES AND PROCEDURES MANUAL SECTION NO. 9 ADDRESSING AN EMERGENCY INCIDENT

38. **EMERGENCY INCIDENT: DEFINED (49 C.F.R. §192.615(a)(1))**

See Definition of Emergency Incident contained in ¶ 16 above.

39. **EMERGENCY INCIDENT: REPORTING** (§ 192.615(a)(1))

a. Who Can Report: Any individual or organization.

b. Reporting Procedures: See Reporting Procedures contained in ¶ 17 above.

c. Making Conditions Safe: After the initial report is made, and to the maximum extent safely possible, actual or potential hazards to life and property should be minimized. (§ 192.615(a)(7))

40. **EMERGENCY INCIDENT: INITIAL STEPS TO TAKE DURING AN EMERGENCY INCIDENT**

If the emergency reporter is a PEMC employee or subcontractor, or the PEMC Field Supervisor upon his arrival at the emergency incident scene, that person or persons will take immediate steps to protect life and property in the vicinity of the Pipeline by:

a. First Emergency Incident Contact: Call 911;

b. Determining the Scope of an Emergency Incident: Determine from a safe location (or from scada when installed), the location of AN Emergency Incident and inform the PEMC Compliance Officer, Dan Green at (775) 636-3132, of the emergency incident location. In the verbal report to the PEMC Compliance Officer state that either:

i. That the emergency reporter has determined that it is safe to access the Pipeline valves to shutoff or isolate the Pipeline segment, then go to ¶ _ below; or

ii. That the emergency reporter has determined that it is not safe to, does not know how to, or can't access the Pipeline valves to shutoff or isolate the

Pipeline segment, then will go to ¶ _ .

c. Additional Reporting Procedures: See Reporting Procedures contained in ¶ _ .

41. **EMERGENCY INCIDENT: TRAINING (49 C.F.R. §192.615(a)(3)):**

a. Training Requirement to Implement the Emergency Plan: In compliance with 49 C.F.R. §192.615(b)(2),within ten (10) days of review and approval of this Policy & Procedures Manual, the Operator shall provide training to PEMC employees to determine if these employees know and understand emergency incident procedures.

b. Review Employee Activities to Determine if Procedures Were Effective: In compliance with 49 C.F.R. §192.615(b)(2), the Operator shall test all PEMC employees to determine the ability of those employees to follow the policies and procedures adopted in this Manual in order to address a future emergency incident. This test shall be timed and the results discussed with each individual employee. If additional training is required, it will be completed.

42. **EMERGENCY INCIDENT: LIAISON WITH LOCAL OFFICIALS (49 C.F.R. §192.615(a)(2)):**

a. PEMC Contact With Local Officials: In accordance with 49 C.F.R. §615(c)(2), (3) and (4), PEMC shall meet with each local official listed immediately below and acquaint each local official with the ability of PEMC to address any Pipeline Emergency Incident. PEMC shall determine the type of Pipeline that Emergency Incident which will require PEMC to notify each local official type. During this meeting, the PEMC representative will also determine how each local official type can assist PEMC in an addressing particular kind of Emergency Incident. PEMC and local government officials shall then jointly develop a "mutual assistance plan" to identify and minimize hazards to life and property as a result of an Emergency Incident. The PEMC Compliance Officer, Dan green, shall discuss the results of these meetings with all PEMC personnel and independent contractors.

Moab, Utah Mayor: Emily Niehaus (435) 259-5121
Green River, Utah Mayor: Travis Bacon (435) 589-6447
Moab, Utah Police Chief: Jim Winder (435) 259-8938
Grand County Sherriff: Greg Funk (435) 381-2404
Moab, Utah Fire Chief: T.J. Brewer (435) 259-5557

POLICIES AND PROCEDURES MANUAL SECTION NO. 9
ADDRESSING AN EMERGENCY INCIDENT

38. **EMERGENCY INCIDENT: DEFINED (49 C.F.R. §192.615(a)(1))**

See Definition of Emergency Incident contained in ¶ 16 above.

39. **EMERGENCY INCIDENT: REPORTING** (§ 192.615(a)(1))

a. Who Can Report: Any individual or organization.

b. Reporting Procedures: See Reporting Procedures contained in ¶ 17 above.

c. Making Conditions Safe: After the initial report is made, and to the maximum extent safely possible, actual or potential hazards to life and property should be minimized. (§ 192.615(a)(7))

40. **EMERGENCY INCIDENT: INITIAL STEPS TO TAKE DURING AN EMERGENCY INCIDENT**

If the emergency reporter is a PEMC employee or subcontractor, or the PEMC Field Supervisor upon his arrival at the emergency incident scene, that person or persons will take immediate steps to protect life and property in the vicinity of the Pipeline by:

a. First Emergency Incident Contact: Call 911;

b. Determining the Scope of an Emergency Incident: Determine from a safe location (or from scada when installed), the location of AN Emergency Incident and inform the PEMC Compliance Officer, Dan Green at (775) 636-3132, of the emergency incident location. In the verbal report to the PEMC Compliance Officer state that either:

i. That the emergency reporter has determined that it is safe to access the Pipeline valves to shutoff or isolate the Pipeline segment, then go to ¶ _ below; or

ii. That the emergency reporter has determined that it is not safe to, does not know how to, or can't access the Pipeline valves to shutoff or isolate the

Pipeline segment, then will go to ¶ _ .

c. Additional Reporting Procedures: See Reporting Procedures contained in ¶ _ .

41. **EMERGENCY INCIDENT: TRAINING (49 C.F.R. §192.615(a)(3)):**

a. Training Requirement to Implement the Emergency Plan: In compliance with 49 C.F.R. §192.615(b)(2),within ten (10) days of review and approval of this Policy & Procedures Manual, the Operator shall provide training to PEMC employees to determine if these employees know and understand emergency incident procedures.

b. Review Employee Activities to Determine if Procedures Were Effective: In compliance with 49 C.F.R. §192.615(b)(2), the Operator shall test all PEMC employees to determine the ability of those employees to follow the policies and procedures adopted in this Manual in order to address a future emergency incident. This test shall be timed and the results discussed with each individual employee. If additional training is required, it will be completed.

42. **EMERGENCY INCIDENT: LIAISON WITH LOCAL OFFICIALS (49 C.F.R. §192.615(a)(2)):**

a. PEMC Contact With Local Officials: In accordance with 49 C.F.R. §615(c)(2), (3) and (4), PEMC shall meet with each local official listed immediately below and acquaint each local official with the ability of PEMC to address any Pipeline Emergency Incident. PEMC shall determine the type of Pipeline that Emergency Incident which will require PEMC to notify each local official type. During this meeting, the PEMC representative will also determine how each local official type can assist PEMC in an addressing particular kind of Emergency Incident. PEMC and local government officials shall then jointly develop a "mutual assistance plan" to identify and minimize hazards to life and property as a result of an Emergency Incident. The PEMC Compliance Officer, Dan green, shall discuss the results of these meetings with all PEMC personnel and independent contractors.

Moab, Utah Mayor: Emily Niehaus (435) 259-5121
Green River, Utah Mayor: Travis Bacon (435) 589-6447
Moab, Utah Police Chief: Jim Winder (435) 259-8938
Grand County Sherriff: Greg Funk (435) 381-2404
Moab, Utah Fire Chief: T.J. Brewer (435) 259-5557

Pipeline segment, then will go to ¶ _ .

c. Additional Reporting Procedures: See Reporting Procedures contained in ¶ _ .

41. **EMERGENCY INCIDENT: TRAINING (49 C.F.R. §192.615(a)(3)):**

a. Training Requirement to Implement the Emergency Plan: In compliance with 49 C.F.R. §192.615(b)(2),within ten (10) days of review and approval of this Policy & Procedures Manual, the Operator shall provide training to PEMC employees to determine if these employees know and understand emergency incident procedures.

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a. PEMC Contact With Local Officials: In accordance with 49 C.F.R. §615(c)(2), (3) and (4), PEMC shall meet with each local official listed immediately below and acquaint each local official with the ability of PEMC to address any Pipeline Emergency Incident. PEMC shall determine the type of Pipeline that Emergency Incident which will require PEMC to notify each local official type. During this meeting, the PEMC representative will also determine how each local official type can assist PEMC in an addressing particular kind of Emergency Incident. PEMC and local government officials shall then jointly develop a "mutual assistance plan" to identify and minimize hazards to life and property as a result of an Emergency Incident. The PEMC Compliance Officer, Dan green, shall discuss the results of these meetings with all PEMC personnel and independent contractors.

Moab, Utah Mayor: Emily Niehaus (435) 259-5121
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Grand County Sherriff: Greg Funk (435) 381-2404
Moab, Utah Fire Chief: T.J. Brewer (435) 259-5557

Green River Fire Chief: Philip Engleman (435) 491-0564

_____; Initials of Operator; _____; Date Completed

b. PEMC Personnel Contact With Local Officials: In accordance with 49 C.F.R. § 615(c)(1), The PEMC personnel shall contact the following local officials or otherwise determine what services are provided by the office of each official:

Moab, Utah Mayor: Emily Niehaus (435) 259-5121
Green River, Utah Mayor: Travis Bacon (435) 589-6447
Moab, Utah Police Chief: Jim Winder (435) 259-8938
Grand County Sherriff: Greg Funk (435) 381-2404
Moab, Utah Fire Chief: T.J. Brewer (435) 259-5557
Green River Fire Chief: Phillip Engleman (435) 491-0564

_____; Initials of Employee; _____; Date Completed

c. Emergency Incident Coordination – Local Agencies & Utility Providers: The "911" system is designed to coordinate local agency response, thus the local agencies will be notified by the 911 system. PEMC will inform the following local officials in Moab and/or Green River, Utah, as well as the other local gas pipeline operators of the location of the Pipeline and provide these operators with a copy of the Emergency Incident Plan.

43. EMERGENCY INCIDENT: REPORT CONTENT (49 C.F.R. §192.615(a)(3))

a. Required Initial Emergency Incident Report Content: The following information should be provided to each person listed above: (a) your name and phone number, (b) a description of the Emergency Incident, (c) approximate location of the Emergency Incident, (d) date and time of the Emergency Incident, (e) number of fatalities if any, and (f) any other relevant facts. (A written summary of the emergency incident is also required if the emergency reporter is an employee of PEMC.)

Within forty-eight (48) hours after the confirmed discovery of an Emergency Incident, PEMC personnel shall revise or confirm its initial telephonic notice with an estimate of the amount of natural gas released, an estimate of the number of fatalities and injuries, and all other significant facts that are known by the operator that are relevant to the cause of the Emergency Incident or extent of the damages

Pipeline segment, then will go to ¶ _ .

c. Additional Reporting Procedures: See Reporting Procedures contained in ¶ _ .

41. **EMERGENCY INCIDENT: TRAINING (49 C.F.R. §192.615(a)(3)):**

a. Training Requirement to Implement the Emergency Plan: In compliance with 49 C.F.R. §192.615(b)(2),within ten (10) days of review and approval of this Policy & Procedures Manual, the Operator shall provide training to PEMC employees to determine if these employees know and understand emergency incident procedures.

b. Review Employee Activities to Determine if Procedures Were Effective: In compliance with 49 C.F.R. §192.615(b)(2), the Operator shall test all PEMC employees to determine the ability of those employees to follow the policies and procedures adopted in this Manual in order to address a future emergency incident. This test shall be timed and the results discussed with each individual employee. If additional training is required, it will be completed.

42. **EMERGENCY INCIDENT: LIAISON WITH LOCAL OFFICIALS (49 C.F.R. §192.615(a)(2)):**

a. PEMC Contact With Local Officials: In accordance with 49 C.F.R. §615(c)(2), (3) and (4), PEMC shall meet with each local official listed immediately below and acquaint each local official with the ability of PEMC to address any Pipeline Emergency Incident. PEMC shall determine the type of Pipeline that Emergency Incident which will require PEMC to notify each local official type. During this meeting, the PEMC representative will also determine how each local official type can assist PEMC in an addressing particular kind of Emergency Incident. PEMC and local government officials shall then jointly develop a "mutual assistance plan" to identify and minimize hazards to life and property as a result of an Emergency Incident. The PEMC Compliance Officer, Dan green, shall discuss the results of these meetings with all PEMC personnel and independent contractors.

Moab, Utah Mayor: Emily Niehaus (435) 259-5121
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_____: Initials of Operator; _____; Date Completed

b. PEMC Personnel Contact With Local Officials: In accordance with 49 C.F.R. § 615(c)(1), The PEMC personnel shall contact the following local officials or otherwise determine what services are provided by the office of each official:

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_____: Initials of Employee; _____; Date Completed

c. Emergency Incident Coordination – Local Agencies & Utility Providers: The "911" system is designed to coordinate local agency response, thus the local agencies will be notified by the 911 system. PEMC will inform the following local officials in Moab and/or Green River, Utah, as well as the other local gas pipeline operators of the location of the Pipeline and provide these operators with a copy of the Emergency Incident Plan.

43. EMERGENCY INCIDENT: REPORT CONTENT (49 C.F.R. §192.615(a)(3))

a. Required Initial Emergency Incident Report Content: The following information should be provided to each person listed above: (a) your name and phone number, (b) a description of the Emergency Incident, (c) approximate location of the Emergency Incident, (d) date and time of the Emergency Incident, (e) number of fatalities if any, and (f) any other relevant facts. (A written summary of the emergency incident is also required if the emergency reporter is an employee of PEMC.)

Within forty-eight (48) hours after the confirmed discovery of an Emergency Incident, PEMC personnel shall revise or confirm its initial telephonic notice with an estimate of the amount of natural gas released, an estimate of the number of fatalities and injuries, and all other significant facts that are known by the operator that are relevant to the cause of the Emergency Incident or extent of the damages

POLICIES AND PROCEDURES MANUAL SECTION NO. 12
PUBLIC AWARENESS

62. **PUBLIC AWARENESS PROGRAM/PLAN:**

The goal of the PEMC Pipeline Public Awareness Program is to enhance safety and environmental protection through increased public awareness and knowledge. Public awareness programs should raise the knowledge level of the affected public and key stakeholder audiences of the presence of pipelines in their communities and increase their understanding of the role of pipelines in transporting energy. PEMC is committed to operating safely and protecting the environment. Increasing public awareness in the communities near this Pipeline reduces the likelihood and potential impact of emergencies through education and programs like the "Call Before You Dig Program."

Specifically, the purpose of this Public Awareness section, under 49 C.F.R. §192 and §195, is to: (1) Establish continuing education programs (in compliance with 49 C.F.R. §192.616 and §195.440); (2) Establish and maintain liaison with emergency responders (in compliance with 49 C.F.R. §192.615 and §195.402); and (3) carry out damage prevention programs to prevent damage to pipelines by excavation activities (in compliance with 49 C.F.R. §192.614 and §195.442).

As a part of this Public Awareness Program, brochures have been prepared and will be attached as Appendices upon completion. See the following:

APPENDIX "I" – Public Awareness Program-Important Safety Information for the Community.

APPENDIX "J" – Public Awareness Program-Important Safety Information for Emergency Responders.

APPENDIX "K" – Public Awareness Program-Important Safety Information for Public Officials & Planning & Zoning Personnel.

APPENDIX "L" – Public Awareness Program-Important Safety Information for Excavators & Contractors.

APPENDIX "_" - General Provisions of Public Awareness Program

AFFIDAVIT OF JIMMY BETHAM

STATE OF UTAH)
:ss.
COUNTY OF SALT LAKE)

I, Jimmy Betham, being first duly sworn on oath, state that the following answers are true and correct to the best of my knowledge, information, and belief:

1. I am over twenty-one (21) years of age, a resident of Utah County, State of Utah, and I have personal knowledge of the statements set forth herein.

2. I participated in the preparation of the Division's Memorandum Attachment 1 entitled 2019PEMC's Motion to Reconsider, and Division's Memorandum Attachment 2 entitled Division's Response to PEMC's Letter Dated April 17, and the statements therein are true and correct to the best of my knowledge, information, and belief.

3. I make the statements herein of my own free will and volition; I am competent to testify to the matters set forth, and if called upon to testify in an administrative or court proceeding, my testimony would be consistent with the statements herein.

4. I am a Pipeline Engineer for the Utah Division of Public Utilities.

5. My employment duties and responsibilities include inspecting intrastate natural gas pipelines to assess compliance with relevant Federal and State law and regulations.

6. As a result of my employment duties and responsibilities, I am familiar with Pacific Energy & Mining Company and its operation of the pipeline.

I declare under criminal penalty of the State of Utah that the foregoing is true and correct.

DATED this 29th day of April 2019.

Jimmy Betham
Pipeline Safety Engineer
Utah Division of Public Utilities

SUBSCRIBED AND SWORN to this 29th day of April 2019.

Notary Public

AMY CASTERLINE
Notary Public State of Utah
My Commission Expires on:
June 2, 2020
Comm. Number: 689305