

## PENALTY CALCULATION WORKSHEET

**Docket:**

**Operator:** Crooks Municipal Gas

**Date Prepared:** May 1, 2013

**Prepared by:** Nathan Solem

**Violations:** 192.1007

(d) *Identify and implement measures to address risks.* Determine and implement measures designed to reduce the risks from failure of its gas distribution pipeline. These measures must include an effective leak management program (unless all leaks are repaired when found).

(e) *Measure performance, monitor results, and evaluate effectiveness.*

(1) Develop and monitor performance measures from an established baseline to evaluate the effectiveness of its IM program. An operator must consider the results of its performance monitoring in periodically re-evaluating the threats and risks.

These performance measures must include the following:

(i) Number of hazardous leaks either eliminated or repaired as required by § 192.703(c) of this subchapter (or total number of leaks if all leaks are repaired when found), categorized by cause;

(ii) Number of excavation damages;

(iii) Number of excavation tickets (receipt of information by the underground facility operator from the notification center);

(iv) Total number of leaks either eliminated or repaired, categorized by cause;

(v) Number of hazardous leaks either eliminated or repaired as required by § 192.703(c) (or total number of leaks if all leaks are repaired when found), categorized by material; and

(vi) Any additional measures the operator determines are needed to evaluate the effectiveness of the operator's IM program in controlling each identified threat.

(f) *Periodic Evaluation and Improvement.* An operator must re-evaluate threats and risks on its entire pipeline and consider the relevance of threats in one location to other areas. Each operator must determine the appropriate period for conducting complete program evaluations based on the complexity of its system and changes in factors affecting the risk of failure. An operator must conduct a complete program re-evaluation at least every five years. The operator must consider the results of the performance monitoring in these evaluations.

Annual review was not completed in 2012 as required by operator's DIMP plan. During the inspection process it was stated that it was decided to not do the review until the 2012 annual report information was available in 2013. It appears that it was a willful and intentional decision to not do the 2012 annual review as described in the 2012 edition of the DIMP plan.

**Total Proposed Penalty:** \$242