



Public Service Commission

State of North Dakota

COMMISSIONERS

Randy Christmann
Julie Fedorchak
Brian Kroshus

Executive Secretary
Darrell Nitschke

600 East Boulevard, Dept. 408
Bismarck, North Dakota 58505-0480
Web: www.psc.nd.gov
E-mail: ndpsc@nd.gov
Phone: 701-328-2400
ND Toll Free: 1-877-245-6685
Fax: 701-328-2410
TDD: 800-366-6888 or 711

February 6, 2018

Ms. Katie Hellfritz – Senior Director Gas Governance
Xcel Energy Services Inc.
1123 West 3rd Avenue
Denver, CO 80223

Dear Ms. Hellfritz:

On October 23-27, 2017, Public Service Commission staff conducted an audit of the Xcel Energy Services Inc. Control Room Management Plan and records in St. Paul, MN.

As a result of that inspection, five probable violations were identified.

Respond, in writing, within 30 days of the date you receive this Notice, in the manner specified in the Notice.

If you have any further questions or require additional information, please contact me.

Sincerely,

Craig Reamann, Manager
ND Gas Pipeline Safety Program
701-328-4056

Enclosure

1 **GS-18-35** Filed: 2/6/2018 Pages: 8
Letter enclosing Notice of Probable Violations

Public Service Commission Staff

Craig Reamann

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Public Service Commission
Xcel Energy Services Inc.
Pipeline Safety Enforcement**

Case No. GS-18-35

NOTICE OF PROBABLE VIOLATION(S)
February 6, 2018

Under North Dakota Century Code section 49-02-01.2, Public Service Commission staff conducted an audit of the Xcel Energy Services Inc. (Respondent) gas pipeline Control Room Management program and records. Probable violation(s) of the Public Service Commission's (Commission) gas pipeline safety regulations were identified.

DATE OF AUDIT:

October 23-27, 2017

TYPE OF AUDIT:

Control Room Management (CRM)

LOCATION OF AUDIT:

Xcel Energy Services Inc. Offices/Control Room
St. Paul, MN

PSC STAFF:

Aaron Morman, Inspector

OPERATOR CONTACT PERSON:

Lisa Kallberg
Gas Pipeline Compliance Consultant
651-229-2282 (office)
651-788-0648 (cell)

PROBABLE VIOLATION NO. 1

PROBABLE VIOLATION:

Respondent did not perform the required CRM plan review within the specified intervals.

LAWS OR RULES IN EFFECT AT TIME OF PROBABLE VIOLATION:

§192.631 Control Room Management

(a) *General.* (1) This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section, except that for each control room where an operator's activities are limited to either or both of:

(2) The procedures required by this section must be integrated, as appropriate, with operating and emergency procedures required by §§192.605 and 192.615. An operator must develop the procedures no later than August 1, 2011, and must implement the procedures according to the following schedule. The procedures required by paragraphs (b), (c)(5), (d)(2) and (d)(3), (f) and (g) of this section must be implemented no later than October 1, 2011. The procedures required by paragraphs (c)(1) through (4), (d)(1), (d)(4), and (e) must be implemented no later than August 1, 2012. The training procedures required by paragraph (h) must be implemented no later than August 1, 2012, except that any training required by another paragraph of this section must be implemented no later than the deadline for that paragraph.

§192.605 Procedural manual for operations, maintenance, and emergencies.

(a) *General.* Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

EVIDENCE:

Documents provided by Respondent showed that a CRM plan review was performed on February 8, 2016 and October 10, 2017. This exceeds the required 15 month maximum interval.

PROPOSED CIVIL PENALTY:

Proposed Civil Penalty: \$1000.00

PROBABLE VIOLATION NO. 2

PROBABLE VIOLATION:

Respondent did not perform the required alarm management plan review within the required interval.

LAWS OR RULES IN EFFECT AT TIME OF PROBABLE VIOLATION:

§192.631 Control Room Management

(e) Alarm Management. Each operator using a SCADA system must have a written alarm management plan to provide for effective controller response to alarms. An operator's plan must include provisions to:

(4) Review the alarm management plan required by this paragraph at least once each calendar year, but at intervals not exceeding 15 months, to determine the effectiveness of the plan.

EVIDENCE:

Documents provided by Respondent showed that an alarm management plan review was performed on February 8, 2016 and October 10, 2017. This exceeds the required 15 month maximum interval.

PROPOSED CIVIL PENALTY:

Proposed Civil Penalty: \$1000.00

PROBABLE VIOLATION NO. 3

PROBABLE VIOLATION:

Respondent did not perform an analysis of the controller workload as required to be done each calendar year, but at intervals not to exceed 15 months.

LAWS OR RULES IN EFFECT AT TIME OF PROBABLE VIOLATION:

§192.631 Control Room Management

(e) Alarm Management. Each operator using a SCADA system must have a written alarm management plan to provide for effective controller response to alarms. An operator's plan must include provisions to:

(5) Monitor the content and volume of general activity being directed to and required of each controller at least once each calendar year, but at intervals not to exceed 15 months, that will assure controllers have sufficient time to analyze and react to incoming alarms.

EVIDENCE:

Documents provided by the Respondent showed a Pipeline Performance Group Workload Analysis dated 2/25/2014 and 6/14/2016. This interval exceeds the once each calendar year, at intervals not to exceed 15 months requirement.

PROPOSED CIVIL PENALTY:

Proposed Civil Penalty: \$1000.00

PROBABLE VIOLATION NO. 4

PROBABLE VIOLATION:

Respondent did not perform a review of the controller training program as required at least once each calendar year, but at intervals not to exceed 15 months.

LAWS OR RULES IN EFFECT AT TIME OF PROBABLE VIOLATION:

§192.631 Control Room Management

(h) Training. Each operator must establish a controller training program and review the training program content to identify potential improvements at least once each calendar year but at intervals not to exceed 15 months.

EVIDENCE:

Respondent did not provide documentation to show review of the controller training program to identify potential improvements as is required to be performed at least once each calendar year but at intervals not to exceed 15 months.

PROPOSED CIVIL PENALTY:

Proposed Civil Penalty: \$1000.00

PROBABLE VIOLATION NO. 5

PROBABLE VIOLATION:

Documentation provided by the Respondent did not show controller fatigue mitigation training for all CRM controllers annually as required by Xcel's CRM plan in effect at the time of the October 23-27, 2017 inspection.

LAWS OR RULES IN EFFECT AT TIME OF PROBABLE VIOLATION:

§192.631 Control Room Management

(d) Fatigue mitigation. Each operator must implement the following methods to reduce the risk associated with controller fatigue that could inhibit a controller's ability to carry out the roles and responsibilities the operator has defined.

(2) Educate controllers and supervisors in fatigue mitigation strategies and how off-duty activities contribute to fatigue.

(3) Train controllers and supervisors to recognize the effects of fatigue.

EVIDENCE:

Xcel Energy Control Room Management Plan – Revisions CRM Plan 16-1

Page D.7 of the CRM plan states that Controllers are educated annually of Fatigue Mitigation Strategies and how off-duty activities directly contribute to fatigue.

Documentation provided by the Respondent showed that six of eight controllers had taken the annual training as required by Xcel's CRM plan, Page D.7 and 49 CFR 192.631(d)(2) and 49 CFR 192.631(d)(3).

PROPOSED CIVIL PENALTY:

Proposed Civil Penalty: \$5000.00

Under 49-07-05.1:

Any person who violates a rule or order of the commission pursuant to section 49-02-01.2 is subject to a civil penalty to be imposed by the commission of not to exceed two hundred thousand dollars for each violation for each day that the violation continues, except that the maximum penalty may not exceed two million dollars for any related series of violations.

RESPONSE OPTIONS:

Within 30 days of receipt of a notice of probable violation, the respondent must answer to:

Craig Reamann, Manager
ND Gas Pipeline Safety Program
600 E. Boulevard, Dept. 408
Bismarck, ND 58505-0480

The respondent must answer in the following manner:

- (a) When the notice contains a proposed civil penalty--
 - (1) If the respondent is not contesting an allegation of probable violation, pay the proposed civil penalty by certified check or money order made payable to "North Dakota Public Service Commission," and advise the Manager of the payment. The payment authorizes the Commission to make a finding of violation and to issue a final order.
 - (2) If the respondent is not contesting an allegation of probable violation but wishes to submit a written explanation, information, or other materials the respondent believes may warrant mitigation or elimination of the proposed civil penalty, the respondent may submit such materials. This authorizes the Commission to make a finding of violation and to issue a final order.
 - (3) If the respondent is contesting one or more allegations of probable violation but is not requesting a hearing, the respondent may submit a written response in answer to the allegations; or
 - (4) The respondent may request a hearing.
- (b) When the notice contains a proposed compliance order--
 - (1) If the respondent is not contesting an allegation of probable violation, agree to the proposed compliance order. This authorizes the Commission to make a finding of violation and to issue a final order.
 - (2) Request the execution of a consent order under.
 - (3) If the respondent is contesting one or more of the allegations of probable violation or compliance terms, but is not requesting a hearing under § 190.211, the respondent may object to the proposed compliance order and submit written explanations, information, or other materials in answer to the allegations in the notice of probable violation; or
 - (4) The respondent may request a hearing.
- (c) Before or after responding in accordance with paragraph (a) or, when applicable paragraph (b) the respondent may request a copy of the violation report from the Manager. The Manager will provide the violation report to the respondent within five business days of receiving a request.
- (d) Failure to respond in accordance with paragraph (a) or, when applicable paragraph (b) constitutes a waiver of the right to contest the allegations in the notice of probable violation and authorizes the Commission, without further notice to the respondent, to find the facts as alleged in the notice of probable violation and to issue a final order.
- (e) All materials submitted by operators in response to enforcement actions may be placed on publicly accessible Web sites. A respondent seeking confidential treatment for any portion of its responsive materials must submit an application under North Dakota Administrative Code chapter 69-02-09.

COMMISSION ACTION:

The Commission may issue an order without hearing if the operator contests a probable violation, contests a proposed compliance order, or contests a proposed civil penalty but does not request a hearing.

The Commission may issue an order after hearing. A Commission order may:

- (a) Require the operator to complete compliance actions;
- (b) Impose a civil penalty; and
- (c) Suspend operation of the pipeline system.