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## ARIZONA CORPORATION COMMISSION

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### **The Arizona Corporation Commission's Safety Division Helps Gas Company Implement New Safety Measures and Keep Public Safe**

#### **Commission's Pipeline Safety Section gets High Ranking By U.S. Dept. of Transportation**

A routine annual inspection, conducted by the Arizona Corporation Commission, of an Arizona gas company's liquid natural gas (LNG) manufacturing facility by inspectors from the Arizona Corporation Commission's Pipeline Safety Division uncovered some safety issues that might otherwise have gone overlooked. Those issues could have resulted in creating a danger for those who work at or near the plant.

The Commission's inspection at Desert Gas's facility in Ehrenberg led to the discovery of a number of welding issues involved with the installation of a new methane compressor and its piping component. Several welds failed their initial testing. During the inspection of the work, pipeline safety inspectors were also able to determine that the welders were not properly qualified and they were also using unqualified welding procedures. Safety inspectors found there was inadequate testing of welds during and after the installation.

"It is common problem," said Pipeline Safety Supervisor, Robert Miller. "Companies must do their due diligence to assure that the welders are certified to avoid these kinds of failures that can lead to not only violations but safety hazards."

Desert Gas and the Commission reached a safety agreement where the company will pay a civil penalty but also will be required to implement new safety procedures. Those new safety procedures exceed current regulatory requirements, and that when fully implemented could make Desert Gas stand out as a model for other LNG manufacturing companies.

"Through our working relationships and our high level of communication with pipeline companies in Arizona we are able to get companies to operate safely and efficiently so that they are able to maintain the public's safety and trust," Miller stated. "Desert Gas has been in good standing in the past, and we fully expect that moving forward they will be in the future."

The Corporation Commission's Safety Division conducts audits yearly at 27 companies statewide. There are 38,442 thousand miles of main and service distribution pipeline in the state serving 1.3 million customers.

The Pipeline Safety Section is audited annually by the federal government to assure the program meets federal standards for states that have a pipeline safety inspection program. Arizona recently completed this year's audit and received a rating score of 99.5% as determined by the U.S. Transportation's Pipeline

and Hazardous Materials Safety Administration (PHMSA).

The Corporation Commission's Pipeline Safety Section has consistently scored in the high 90 percent over the past decade with scores of 100 in three of those years. PHMSA reimburses 80% of operating costs to agencies that meet or exceed their standards.

"Our safety policies and procedures are becoming more and more a model for the industry," said Miller. "I credit that to the fact we have a lot of unique programs and training that other states don't have."