



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue SE
Washington DC 20590

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Pipeline Safety

2023 Hazardous Liquid Base Grant Progress Report

for

NM PIPELINE SAFETY BUREAU

Please follow the directions listed below :

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Pipeline and Hazardous Materials Safety Administration
1200 New Jersey Avenue, SE
Washington DC 20590

OFFICE OF PIPELINE SAFETY

2023 Hazardous Liquid Base Grant Progress Report

Office: NM PIPELINE SAFETY BUREAU

Jason Montoya

Authorized Signature

Jason Montoya

Printed Name

Bureau Chief

Title

2/27/2024 2:22:18 PM

Date



PROGRESS REPORT ATTACHMENTS (HAZARDOUS LIQUID)

PHMSA Form No. PHMSA F 999-95

Attachment 1: State Jurisdiction and Agent Status over Facilities.

Attachment 2: State Field Inspection Activity

Attachment 3: Facilities Subject to State Safety Jurisdiction

Attachment 4: Pipeline Incidents

Attachment 5: State Compliance Actions

Attachment 6: State Record Maintenance and Reporting

Attachment 7: State Employees Directly Involved in the Pipeline Safety Program

Attachment 8: State Compliance with Federal Regulations

{there is no attachment 9}

Attachment 10: Performance and Damage Prevention Questions



Attachment 1 - Stats on Operators

STATE JURISDICTION AND AGENT STATUS OVER HAZARDOUS LIQUID FACILITIES AS OF DECEMBER 31, 2023

Operator Type	State Agency Jurisdiction/ Agent Status		No. of Operators	Operators Inspected		No. of Inspection Units	Units Inspected	
	No ¹	Yes		#	%		#	%
Hazardous Liquid								
Intrastate Refined Petroleum Products		X/60105	3	2	66.7%	3	2	66.7%
Intrastate Crude Oil		X/60105	8	5	62.5%	8	5	62.5%
Intrastate HVL Flamm Toxic		X/60105	6	3	50.0%	6	3	50.0%
Intrastate CO2		X/60105	1	1	100.0%	1	1	100.0%
Intrastate Biofuel		X/60105	0	0	N/A	0	0	N/A
Interstate Refined Petroleum Products	F		0	0	N/A	0	0	N/A
Interstate Crude Oil	F		0	0	N/A	0	0	N/A
Interstate HVL Flamm Toxic	F		0	0	N/A	0	0	N/A
Interstate CO2	F		0	0	N/A	0	0	N/A
Interstate Biofuel	F		0	0	N/A	0	0	N/A
Total			18	11	61.1%	18	11	61.1%

¹Codes: A - None in state and does not have jurisdiction;

B - State does not have jurisdictional authority (Provide current status or action being taken to obtain authority in notes section below)

F - No, State is currently not an interstate agent.

X/60105P = Yes, I have Section 60105 (Certification) over some of the operator type (meaning: I have 60105 authority over some, but not all of this operator type and do not have a 60106 agreement with PHMSA to inspect them). These operators are identified in the notes below.

X/IA - Yes, I have Interstate Agent jurisdiction over this type of operator

Distribution "Other" - ie Co-ops, Public Utility Districts, etc.

States should explain any special circumstances

General Instructions - All above facilities should only include facilities as defined by federal pipeline regulations and should not include extended jurisdiction by state regulation.

Attachment 1 Notes:

Attachment 2 - State Inspection Activity

TOTAL STATE FIELD INSPECTION ACTIVITY AS OF DECEMBER 31, 2023

Operator Type	Standard Comprehensive	Design, Testing and Construction	On-Site Operator Training	Integrity Management	Operator Qualification	Investigating Incidents or Accidents	Damage Prevention Activities	Compliance Follow-up	Total
Hazardous Liquid									
Intrastate Refined Petroleum Products	44.000	4.000	0.000	2.000	0.000	0.000	0.000	11.000	61.000
Intrastate Crude Oil	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Intrastate HVL Flamm Toxic	82.000	40.000	0.000	8.500	2.500	0.000	0.000	0.500	133.500
Intrastate CO2	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Intrastate Biofuel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Interstate Refined Petroleum Products	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Interstate Crude Oil	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Interstate HVL Flamm Toxic	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Interstate CO2	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Interstate Biofuel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total	126.000	44.000	0.000	10.500	2.500	0.000	0.000	11.500	194.500

Drug and Alcohol									
Total Count of Drug and Alcohol Inspections									1

Attachment 2 Notes

Attachment 3 - List of Operators

HAZARDOUS LIQUID FACILITIES SUBJECT TO STATE SAFETY JURISDICTION AS OF DECEMBER 31, 2023

Operator Business Name Operator ID Address	Hazardous Liquid (Operator type & Inspection Units)									
	Intrastate Refined Petroleum Products	Intrastate Crude Oil	Intrastate HVL Flamm Toxic	Intrastate CO2	Intrastate Biofuel	Interstate Refined Petroleum Products	Interstate Crude oil	Interstate HVL Flamm Toxic	Interstate CO2	Interstate Biofuel
3 Bear Delaware Operating-NM LLC 39950 1512 Larimer STE 540Denver, CO 80202	0	1	1	0	0	0	0	0	0	0
Bluefish Pipeline LLC 39108 2500 Tanglewilde Ste. 470 Houston, TX 77063	1	0	0	0	0	0	0	0	0	0
CP Energy 40000 317 Lilac Dr Suite 200Edmond, OK 73034	0	1	0	0	0	0	0	0	0	0
DCP Midstream 31130 370 17th Street, Suite 2500 Denver, CO 80202	0	0	1	0	0	0	0	0	0	0
Energy Transfer 32099 1300 Main Street Houston, TX 77002	0	0	1	0	0	0	0	0	0	0
Enterprise Products Operating, LP 31618 1100 Louisiana Street Houston, TX 77002-5227	1	0	0	0	0	0	0	0	0	0
Enterprise Products Operating, LP 30829 1100 Louisiana Street Houston, TX 77002	0	1	0	0	0	0	0	0	0	0
Frontier Field Services 32248 125 Mercardo Ste 201 Durango, CO 81301	0	0	1	0	0	0	0	0	0	0



Holly Energy Partners 32011 2828 North Harwood, Suite 1300 Dallas, TX 75201	1	1	0	0	0	0	0	0	0	0
Lucid Energy Delaware 39566 3100 McKinnon St. Suite 800 Dallas, TX 75201	0	0	1	0	0	0	0	0	0	0
Plains Marketing LP 26085 333 Clay Street Houston, TX 77210	0	1	0	0	0	0	0	0	0	0
Plains Pipeline, LP 300 333 Clay Street P.O. Box 4648 Houston, TX 77210-4648	0	1	0	0	0	0	0	0	0	0
San Mateo Black River 39833 5400 Lyndon B Johnson FWY STE 1500 Dallas, TX 75240	0	1	0	0	0	0	0	0	0	0
Trinity CO2, LLC 31475 401 West Wall Street Midland, TX 79701	0	0	0	1	0	0	0	0	0	0
XTO Energy Inc. 31178 Parkway, Spring Spring, TX	0	1	1	0	0	0	0	0	0	0



	Hazardous Liquid (Operator type & Inspection Units)									
	Intrastate Refined Petroleum Products	Intrastate Crude Oil	Intrastate HVL Flamm Toxic	Intrastate CO2	Intrastate Biofuel	Interstate Refined Petroleum Products	Interstate Crude oil	Interstate HVL Flamm Toxic	Interstate CO2	Interstate Biofuel
Inspection Unit totals by type	3	8	6	1	0	0	0	0	0	0

Total Operators

15

Attachment 3 Notes



Attachment 4 - Incidents/Accidents

SIGNIFICANT⁴ HAZARDOUS LIQUID INCIDENTS/ACCIDENTS JANUARY 1, THROUGH DECEMBER 31, 2023

Date of Incident	Location - City/County/etc.	System Type	Injuries #	Fatalities #	Property Damage ³ \$	Operator Cause Code ¹	State Cause Code ¹
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Name of Operator:

Operator ID:

Report No:

Summary²

¹High Level Cause Codes: A - Corrosion failure; B - Natural Force Damage; C - Excavation Damage; D - Other Outside Force Damage; E - Pipe, Weld or Joint Failure; F - Equipment Failure; G - Incorrect Operation; H - Other Incident Cause; IP - Investigation Pending;

²Please include a summary or report of the state agency's investigation of each of the above incidents.

³Interstate agents should use the 191.3 Incident definition for listing incidents investigated on interstate facilities.

Attachment 4 Notes

No HL incident and accident data imported from the PHMSA Data Mart.



Attachment 5 - Stats on Compliance Actions

STATE COMPLIANCE ACTIONS -- CALENDAR YEAR (CY) 2023

Probable Violation Categories	Intrastate	Interstate
Number carried over from all previous CY's	3	0
Number Found During CY	30	0
Number submitted for DOT action [60106 Agreement agent only]	0	0
Number corrected during CY (including carry over from previous year(s))	21	0
Number to be corrected at end of CY (including carry over)	12	0

Number of Compliance Actions Taken ¹
 (see definition) 10

Civil Penalties

Number assessed during CY	1
Dollars assessed during CY	\$5,750.00
Number collected during CY	0
Dollars collected during CY	\$0.00

¹**Do not double count for a related series of actions.**

Attachment 5 Notes

Insp Date 03/2023, Bluefish Pipeline
 0323-KD-MD-026-LT-SD, \$5,750.
 \$0.00 collected in CY.



Attachment 6 - List of Records Kept

HAZARDOUS LIQUID STATE RECORD MAINTENANCE AND REPORTING DURING CY 2023

Records Maintained by the State Agency

- Compliance Inspection Reports
- Certification and Grant Documents
- Notice of Intent to Construct Pipelines
- Accident Investigation Reports
- Third Party Excavation Damage Reports
- DOT Annual Reports
- Compliance Actions
- Telephonic Notice of Accidents
- Operator Procedural Manuals for Operations, Maintenance and Emergencies
- Annual License
- Safety Related Condition Reports

Reports Required from Operators

- Tariffs

Attachment 6 Notes



Attachment 7 - Staffing and TQ Training

STATE EMPLOYEES DIRECTLY INVOLVED IN THE HAZARDOUS LIQUID PIPELINE SAFETY PROGRAM DURING CY 2023

Name/Title	% Time	# Months	Qual. Cat.
Supervisor			
David Gates			
Inspector	3.000	9	III
Jason N. Montoya			
Pipeline Safety Bureau Chief	7.000	12	I
Damage Prevention/Technical			
Joe Lopez			
DP Inspector	32.000	12	NA
Inspector/Investigator			
Antonio Archuleta			
Inspector	16.000	12	II
Chris Gutierrez			
Inspector	31.000	12	V
David Walters			
Inspector	20.000	12	IV
James Stanovcak			
Supervisor	1.000	12	II
Kevin Duke			
Inspector	57.000	12	II
Margaret Doyle			
Inspector	19.400	12	IV
Zane Ward			
Inspector	9.000	12	IV
Clerical and Administrative Support			
Gabriel Cassell			
Admin Support	14.000	12	NA

Tina Cigliano-Sisneros			
Admin	4.000	12	III

Summary

<u>Employee Type</u>	<u>No. of Staff</u>	<u>Person-Years</u>
Supervisor	2	0.090
Damage Prevention/Technical	1	0.320
Inspectors/Investigators	7	1.530
Clerical/Administrative	2	0.180
Total	12	2.130

Attachment 7 Notes



Attachment 8 - Compliance with Federal Regulations

STATE COMPLIANCE WITH FEDERAL REQUIREMENTS AS OF DECEMBER 31, 2023

No.	Effective Date	Impact	Adoption Date	Adoption Status
1		Maximum Penalties Substantially same as DOT (\$257,664/\$2,576,627). State must adopt minimum penalties of at least (\$100,000/\$1,000,000). Indicate actual amount in notes.	07/2017	Adopted (\$100,000/\$1,000,000)
Note ¹		New Mexico has adopted \$100,000/\$1,000,000. 70-3-19 NMSA 1978. Enforcement;penalties. Legislation continues to be introduced to match federal amounts.		
2		Part 195 Amendments		
1-95	Pre 2011	[All applicable amendments prior to and including 2010]	12/31/2010	Adopted
Note ¹		Adoption of all amendments prior to 2011		
96 - 76 FR 25576	10/1/2011	Applying Safety Regulations to All Rural Onshore Hazardous Liquid Low-Stress Lines	10/2011	Adopted
Note ¹				
97 - 76 FR 35130	8/15/2011	Control Room Management/Human Factors	08/2011	Adopted
Note ¹				
98 - 78 FR 58897	10/25/2013	Administrative Procedures, Updates, and Technical Corrections (Not applicable to States)	09/2013	Adopted
Note ¹				
99 - 80 FR 168	3/6/2015	Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Edits	03/2015	Adopted
Note ¹				
100 - 80 FR 12779	10/1/2015	Miscellaneous Changes to Pipeline Safety Regulations	10/2015	Adopted
Note ¹				

101 - 82 FR 7972	3/24/2017	Operator Qualification, Cost Recovery, Accident and Incident Notification, and Other Pipeline Safety Changes	03/2017	Adopted
Note ¹				
102 - 84 FR 52260	7/1/2020	Pipeline Safety: Safety of Hazardous Liquid Pipelines	7/1/2020	Adopted
Note ¹				
103 - 86 FR 73174	2/25/2022	Pipeline Safety: Unusually Sensitive Areas for the Great Lakes, Coastal Beaches, and Certain Coastal Waters	2/25/2022	Adopted
Note ¹				
104 - 87 FR 20940	10/5/2022	Pipeline Safety: Amendments to Parts 192 and 195 to Require Valve Installation and Minimum Rupture Detection Standards.	10/5/2022	Adopted
Note ¹				
105 - 88 FR 50056	8/1/2023	Pipeline Safety: Requirement to Valve Installation and Minimum Rupture Detection Standards: Technical Corrections	08/01/2023	Adopted
Note ¹	NM statutes and rules allow for automatic adoption.			
3	Part 199 - Drug Testing		11/1988	Adopted
Note ¹				
4	Part 199 Amendments			
1-24	Pre 2011	[All applicable amendments prior to and including 2010]	12/31/2010	Adopted
Note ¹	Adoption of all amendments prior to 2011			
25 - 78 FR 58897	10/25/2013	Administrative Procedures, Updates, and Technical Corrections	09/2013	Adopted
Note ¹				
26 - 80 FR 168	3/6/2015	Periodic Updates of Regulatory References to Technical Standards and Miscellaneous Edits	3/2015	Adopted
Note ¹				
27 - 82 FR 7972	3/24/2017	Operator Qualification, Cost Recovery, Accident and Incident Notification, and Other Pipeline Safety Changes	03/2017	Adopted
Note ¹				

28 - 84 FR 16770	4/23/2019	Conforming Amendments and Technical Corrections to Department Rules Implementing the Transportation Industry Drug Testing Program	4/23/2019	Adopted
Note ¹				
5	State Adoption of Part 198 State One-Call Damage Prevention Program			
a.		Mandatory coverage of areas having pipeline facilities	03/1997	Adopted
Note ¹				
b.		Qualification for operation of one-call system	03/1997	Adopted
Note ¹				
c.		Mandatory excavator notification of one call center	03/1997	Adopted
Note ¹				
d.		State determination whether calls to center are toll free	03/1997	Adopted
Note ¹				
e.		Mandatory intrastate pipeline operator participation	03/1997	Adopted
Note ¹				
f.		Mandatory operator response to notification	03/1997	Adopted
Note ¹				
g.		Mandatory notifications of excavators/public	03/1997	Adopted
Note ¹				
h.		Civil penalties/injunctive relief substantially same as DOT	04/2001	Adopted but Different Dollar Amounts
Note ¹ New Mexico has adopted \$100,000/\$1,000,000. 70-3-19 NMSA 1978. Enforcement;penalties. Legislation continues to be introduced to match federal amounts.				

¹If Adoption Status is No, Please provide an explanation

State Attendance at 2023 NAPS Regional Meeting:

Attended full time (Lead rep or alternative pipeline staff)

Frequency of General Legislative Session: Annually

Attachment 8 Notes

NM's statutes and rules allow for automatic adoptions of anything new to pipeline safety regulations.
NM's Legislative session is 30-days on even numbered years and 60-days on odd numbered years.



Attachment 10 - Performance and Damage Prevention Questions

CALENDAR YEAR (CY) 2023

Planned Performance: What are your Planned Annual and Long-term goals for your Pipeline Safety Program?

The NM Pipeline Safety Bureau (PSB) plans to continue meeting inspection rotation cycles per the PSB's Standard Operating Procedure. PSB has been able to retain all FTE's and continues to implement more efficient internal inspection processes to address the increased workload resulting from additional regulations and increased inspection person-day requirements. The PSB will continue to be on-call for emergency purposes and readily available to assist the PHMSA and/or NTSB, if needed. The PSB anticipates continuing to be fully staffed during 2024 and will likely hire up to 10 additional staff members. Increased field man-hours are required to meet inspection frequency requirements and help new hires become acquainted with policies and procedures. Training in 2023 was still limited due to the pandemic but PSB continued to focus on welding procedures, MAOP, plastic pipe, welding, and cathodic protection type courses. The PSB converted from a 3 to 5 year comprehensive inspection interval for operator units with lower priority scores based on the annual report information. The PSB continues to use annual report information and institutional knowledge to identify high-risk units that will be subject to more frequent inspection intervals. The PSB has also increased inspection time focusing on the quality of annual reports submitted by operators to prevent misleading information.

During 2024 the PSB will continue doing business as usual and return to conducting in-person inspections. Damage Prevention staff will continue offering New Mexico Excavation Law and Procedures classes as instructor-led online classes with audience participation to safely provide information and be available to excavators, underground facility owners, one-call members and others involved with planning excavation activities. In addition, PSB recently partnered with a third-party vendor that prepared an online safe excavation training for excavators, underground facility owners, and one-call members who received a Notice of Probable Violation requiring attendance of an NMEL class. Short-term goals are to review the excavation law training program, continue implementing the Midnight Rule which was recently passed, and attempt to conduct field investigation on 80% or more reported damages. The 80% threshold will be challenging with only 3 field investigators for the large geographic assignments and the PSB will hire additional staff effective July 1, 2024 to meet these goals. Long-term damage prevention goals are to modify the web-based reporting system to be automated with publishing trends, timely reports, and enforcement actions and expand the number of staff members that contribute to the damage prevention program.

Past Performance: What did the Pipeline Safety Program accomplish during the subject year (to this document) to contribute toward the program's annual and long-term goals?

The PSB made a reasonable attempt to achieve the goal of conducting a standard inspection on each inspection unit at least once every five (5) years and all other inspections within their respective intervals. The PSB conducted inspections of 61.11% of the intrastate natural gas pipeline operators in 2023. The PSB actively oversees safe operation and maintenance performance of intrastate pipelines. The PSB continued to train inspectors to keep them up to date on the many changes related to Part 192 and how those changes affect pipeline safety. The PSB continues to telework allowing Inspectors to be more effective and efficient. In addition, the PSB implemented instructor-led online NM Excavation Law and Procedures classes complete with audience participation to continue to safely provide information and be available to excavators, underground facility owners, one-call members and others involved with planning excavation activities.

Previously the PSB successfully adopted new damage prevention rules which align with new technology, best practices, and actual processes that contribute to maximizing shared responsibilities preventing underground facility damages and allowing for a more effective enforcement program. The PSB now enforces a "no tolerance" guide to blind boring and the 3 main areas of call 811 before you dig, provide accurate marks within 2 full business days, and respect the marks by a minimum of 18" with mechanical equipment. The PSB was also able to conduct investigations on 100% of all damages reported and took enforcement action as needed based on risk.

1. Has the state or agency reviewed the Damage Prevention Assistance Program (DPAP) document in the last twelve months?

Yes

2. Has the state or agency developed or is in the process of developing a plan to address the nine elements contained in the PIPES Act of 2006 for an effective State Damage Prevention Program?

Yes

If yes to question 2, where does the state or agency stand on implementation of the nine elements contained in the PIPES Act of 2006? Please provide a description of how the state or agency has or will meet each element. If not, please provide a brief passage explaining the reasons why the state or agency has not.

The PSB's plan and efforts to address the 9 elements have been in place for several years. However, efforts will be made to improve compliance with two main areas: accurately marking underground facilities within the requisite time and maintaining sufficient distance from marked facilities during excavation activities. The PSB will continue to unite the industry in damage prevention with a "Shared Responsibility" vision. Recruiting new people to participate in local associations & societies as people retire continues to be a difficult task. Efforts in 2023 and previous years continued to contribute towards NM's success in damage prevention. Stakeholders have informed the PSB they have seen improvement from the excavating community and damages are decreasing. NM has a robust damage prevention program consistently deemed "adequate" by PHMSA. Through the NMRCGA, the PSB continues to recruit industry to participate in damage prevention outreach events and become more active with NMRCGA. The PSB has approached the NMRCGA and is in the process of holding several meetings throughout the state to develop possible legislation that will improve the excavation law and allow the PSB to become more effective when enforcing the excavation law. In 2022 the Midnight Rule passed and requires requests to locate utility lines be completed by midnight after 2 full business days from the time a locate request is submitted, rather than the specific time of the request submission.

Our efforts in 2023 placed NM right on target for maintaining full implementation of the 9 elements, and those efforts will continue in 2024. The PSB has implemented new rules for the damage prevention program to align with what is occurring and help streamline the process and compliance and continues to work with industry to develop legislation that will improve the excavation law.

NM was initially and remains to be considered "adequate" by PHMSA's evaluation process. NM has adopted effective rules and regulations that, most importantly, allow the PSB to enforce compliance. The PSB constantly participates in public outreach events and has developed a good reputation with all stakeholder groups. NM has fully implemented all 9 elements.

Below is a depiction of the most recent overall characterization of New Mexico's damage prevention program.

New Mexico State Damage Prevention Program Characterization	Effective Damage Prevention Program Element
	Element 1 - Enhanced Communication between Operators and Excavators
	Element 2 - Fostering Support and Partnership of all Stakeholders
	Element 3 - Operator's Use of Performance Measures for Locators
	Element 4 - Partnership in Employee Training
	Element 5 - Partnership in Public Education
	Element 6 - Enforcement Agencies' Role to Help Resolve Issues
	Element 7 - Fair and Consistent Enforcement of the Law
	Element 8 - Use of Technology to Improve the Locating Process
	Element 9 - Data Analysis to Continually Improve Program Effectiveness

Symbol Legend:

Program element implemented

Element partially implemented/marginally effective program element needs improvement; no actions underway/planned for improvement

Program element is not implemented and needs to be addressed

No information available or not applicable

P Pending

Attachment 10 Notes