

Supplemental Report

turned on the oven and then gone outside to attend to a truck. While that employee was outside he observed a bright white light coming from two grates on the roof of the building. Steps were then taken to evacuate the building and the fire department was summoned. Scott Brezack stated that there was a standing pilot light on the oven and that he had not, nor had any of his employees reported the odor of gas in the building prior to the fire. Scott Brezack said he was not aware of being notified of the hazards of natural gas by the Metropolitan Utilities District. He said, "When the bill comes he pitches the stuff without looking, takes the bill, and pays it".

On January 14, 2010 I met with Jeff Loll at the MUD office and we reviewed the records of Field Services response to the call from Omaha Fire Department. Jeff Loll said that after turning off the service valve apparently no other method had been used to prevent the valve from being opened by unauthorized persons. In the afternoon of January 14, 2010 I followed up behind 1219 South 119th and found that a lock had been installed on the second meter from the north and that locks remained on the other three meters.

Time Line:

January 7, 2010	2200 hours	Fire reported at Bagel Bin
	2318 hours	MUD Field Services personnel arrive fire scene
January 8, 2010	0104 hours	MUD Field Services personnel depart
	0959 hours	MUD Field Services personnel return
	1102 hours	MUD Field Services personnel depart
	Afternoon	MUD Field Services close and lock gas meters

Supplemental Report

January 13, 2010 Afternoon Unlocked meter observed

January 14, 2010 Afternoon Meter in question observed to be locked

Conclusion:

Considering the time elapsed since the Omaha Fire Department relinquished control of the fire scene till the improperly closed service valve was discovered it appears that Metropolitan Utilities District Operations, Maintenance, and Emergency Manual Procedure Number H.379.0 Inactive Gas Services Effective 12/15/03 was not followed. A Notice of Probable Violation of Pipeline Safety regulations will be issued citing §192.605.

End of Report.

DEPUTY SIGNATURE: _____

Handwritten signature of Stephen Lucas in cursive script.

STATE OF NEBRASKA



Dave Heineman
Governor

NOTICE of PROBABLE VIOLATION



STATE FIRE MARSHAL
John Falgione
Fire Marshal

January 22, 2010

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Jeffrey G. Loll P.E.
Director of Engineering Design
Metropolitan Utilities District
3100 South 61st Avenue
Omaha, NE 68106-3621

Subject: Natural Gas Pipeline Incident Investigation - #20100122-N

On January 13 and 14, 2010 a representative of the Nebraska State Fire Marshal, Pipeline Safety Division, pursuant to the Nebraska Natural Gas Pipeline Safety Act of 1969, conducted an inspection of the Metropolitan Utilities Districts field facilities in Omaha.

As a result of this inspection it appears that you have committed a probable violation of Title 155 Nebraska Administrative Code Chapter 1.001 adopting by reference pipeline safety regulations Title 49, Code of Federal Regulations, Parts 191, 192, 193 and 199. The item in black bold is the violation and the item in red is the regulation specifically stating the requirement.

§192.605

On January 7, 2010 a Metropolitan Utilities District field services technician responded to a request from Omaha Fire Department to shut off gas service at 1215 South 119th Street because of a working fire. On January 13, 2010 in the course of an incident investigation I observed that the service valves to four meters had been shut off and that the valve of the second meter from the north was off but had not been locked shut. I alerted Metropolitan Utilities District of this condition and when I followed up on January 14, 2010 this condition had

□ MAIN OFFICE
□ DISTRICT A
246 South 14th Street
Lincoln, NE 68508-1804
(402) 471- 2027

□ DISTRICT B
438 West Market
Albion, NE 68620-1241
(402)-395-2164

□ DISTRICT C
200 South Silber
North Platte, NE 69101-3200
(308) 535-8181

□ FUELS DIVISION
□ FLST □ PIPELINE
246 South 14th Street
Lincoln, NE 68508-1804
(402) 471-9465

□ TRAINING DIVISION
2410 North Wheeler Avenue
Suite 112
Grand Island, NE 68801-2358
(308) 385-6892

been corrected. It appears that Metropolitan Utilities District Operations, Maintenance, and Emergency Manual Procedure Number H.379.0 Inactive Gas Services Effective 12/15/03 was not followed. Previous Notices of Probable Violation have been issued for this type of event on June 26, 2008 and on July 5, 2007.

§ 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...**

Whenever the State Fire Marshal has reason to believe any person is violating any provision of subsection (1) of section 81-545 of the Nebraska Natural Gas Pipeline Safety Act of 1969 or any regulation under the Nebraska Natural Gas Pipeline Safety Act of 1969, the State Fire Marshal may request the Attorney General of Nebraska to bring an action under section 81-547 of the Nebraska Natural Gas Pipeline Safety Act of 1969 in the district court of the county in which the defendant's principal place of business is located. The district court shall have jurisdiction to restrain violations of the Nebraska Natural Gas Pipeline Safety Act of 1969 including the restraint of transportation of gas or the operation of a pipeline facility. The district court may impose a civil penalty not to exceed ten thousand dollars for each violation for each day that such violation persists, except that the maximum civil penalty shall not exceed five hundred thousand dollars for any related series of violations.

We request the District respond within 30 days of receipt of this letter and reference #20100122-N on the return correspondence to our office. The response may accept the findings and state a plan of action to address the concerns or, the response may disagree with the findings. If the District chooses to disagree with the findings, please justify your position in the response.

If you have any questions regarding the substance or propriety of this notice, please contact our office at, Nebraska State Fire Marshal, Pipeline Safety, 246 South 14th Street, Lincoln, NE 68508-1804 or telephone 402-471-9465.



Stephen Lucas, Deputy
Fuels Safety Division, Pipeline Section
Nebraska State Fire Marshal



Clark Conklin, Chief Deputy
Fuels Safety Division
Nebraska State Fire Marshal

METROPOLITAN
UTILITIES DISTRICT

February 19, 2010

Mr. Stephen Lucas,
Deputy State Fire Marshal
246 South 14th Street
Lincoln, NE 68508-1804

Received on:
FEB 22 2010
NE State Fire Marshal

Mr. Lucas,

I am responding to your January 22nd, 2010 letter concerning Notice of Probable Violation, which was received in MUD Engineering on January 26th, 2010. The letter relates to findings by the State Fire Marshal's office concerning District activities from January 7th to January 14th of 2010. The probable violation is as follows:

§ 192.605

On January 7th of 2010 a Metropolitan Utilities District Field Services Technician responded to a request from the Omaha Fire Department to shut off gas service at 1215 South 119th Street because of a working fire. On January 13, 2010 in the course of an incident investigation Deputy Stephen Lucas observed that the service valves to four meters had been shut off and that the valve of the second meter from the north was off but had not been locked shut. Deputy Lucas notified MUD of this condition and when he followed up on January 14, 2010 the condition had been corrected. It appears that the Metropolitan Utilities District Operations, Maintenance, and Emergency Manual Procedure Number H.379.0 Inactive Gas Services Effective 12/15/03 was not followed. Note: Notices of Probable Violation were issued for this type of event on June 26th, 2008 and July 5th, 2007.

§ 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...

DISTRICT REVIEW

The District O&M procedure H379.0 states:

Minimum Federal Safety Standards, 49 CFR, Part 192.379 requires one of the following to prevent the unauthorized activation of gas service lines when service to a customer is discontinued or a new service line is not placed into service upon installation. This procedure outlines the District's compliance with these requirements.

- A. The valve that is closed to prevent the flow of gas to the customer must be provided with a locking device or other means designed to prevent the opening of the valve by persons other than those authorized by the operator; or**
- B. A mechanical device or fitting that will prevent the flow of gas must be installed in the service line or in the meter assembly; or**
- C. The customer's piping must be physically disconnected from the gas supply and the open pipe ends sealed.**

The Utilities District's Field Services internal turn on/off procedure states:

When turning off gas service, keep in mind that service must be off in two places. Any lock wing valve that is turned off must be padlocked. Any gas service valve that does not have a locking mechanism must also be secured with another device; tin washer, blind swivel, blank flange, etc. If the gas is turned off at the curb stop, a wedge is also required to prevent unauthorized operation of curb stop valve.

Our review of the event shows that the District field technician arrived at 11:18 PM on January 7, 2010, when the site was already in control of the Omaha Fire Department. About 1:04 AM on January 8th, 2010, the technician shut off a number of gas services at the request of the Fire Chief at the site. The service valve in question was in close proximity to the active fire and Fire Department personnel participated in an approach technique to obtain access. There was an opening cut in the fence that the field tech reached around in order to close the valve, however he had to close the valve somewhat by feel. When he was done his clothes were saturated and frozen in the sub-zero temperatures. Another technician came to take over as the primary contact for the Fire Department.

The first technician remained on shift to assist. At 7 AM before leaving the first technician informed the Superintendent of Field Services that he had shut off multiple gas meters but he was unable to secure all the valves with padlocks, because of the precarious position he was in.

The Superintendent sent a fitting crew to follow-up at the site, which was still controlled by the Omaha Fire Department until 11:02 AM on January 8th, 2010. The crew discussed the need to go back and padlock the closed valves with Omaha Fire Department personnel who had also replaced their crew that was on duty during the nighttime fire event. The Omaha Fire Department personnel took the fitting crew to the locations of three meters that had been shut off. The corresponding valves were padlocked and field orders were generated for 1215, 1217, and 1219 S. 119th Street and subsequently entered a record concerning shutoff of these services in the record system. The crew left the site at 9:15 AM with the site still under the control of the Omaha Fire Department. The District did respond again to the Fire Department to shut off a service valve for the water supply.

To the best of our knowledge, Deputy Stephen Lucas did follow-up investigation on January 13th. On January 14th, that information was shared with the Director of Engineering Design for the District. My records show that pictures were downloaded at 10:47 AM and shared with the Superintendent of Field Services within an hour.

Concurrently, on January 14th at 11:06 AM, another investigator at the scene called MUD and caused a leak order to be generated. In response, a technician arrived at 11:22 AM and found the service valve slightly bypassing. He was able to correctly position and padlock the valve.

At 2:15 PM on January 14th, the Superintendent investigated the situation using personal interviews with those involved. At the conclusion of the interviews, it seemed that all valves that had been shut had also been padlocked, but he sent someone to the site on January 15th to review every meter serving gas to the site and summarize the status. He identified all 12 services to the buildings and stated that “four services to the north feed(ing) 6 meters all off at padlock”. He also removed ice to assure that all valves were accessible and the ice was not blocking regulator vents.

After the Notice of Probable Violation was delivered on January 26th, the Superintendent of Field Services redid the personal interviews with his personnel. It was not until the original responder specifically told him he had shut off three risers to four meters that the Superintendent realized that the valve to 1215 S. 119th was not padlocked until January 14th.

CONCLUSION

The District is confident that the intent of Procedure H.379.0 for Inactive Gas Services is understood by our service technicians. The procedure very directly reflects the requirement of Part 192.605 to lock or deter any shutoff device so that unauthorized personnel do not open the shutoff.

When control of the site comes under the jurisdiction of others, complying with the procedure is more difficult. The District needs some requirement for follow-up after the site is released by others to assure that the site is in compliance with our procedure and the regulation when we leave.

The shutoff made the morning of January 8th, 2010, was made in an emergency situation under direction of the Omaha Fire authority. Locating the valve, closing it, and locking it were extremely difficult under these circumstances. It is the District’s opinion that it would have been unsafe for our technician to attempt to lock the valve to 1215 S. 119th Street at the time the valve was shut. While the site was still under the control of the Omaha Fire Department, the District did perform a follow-up visit to the site. The purpose of that visit was to assure that valves and services were securely shutoff.

In our preparation to return for that purpose, we failed to adequately communicate the status of those valves in question from the first technician to the second technician to the

third technician. At the site, we did not receive accurate information from the Fire Department personnel, who also had multiple changes of field personnel. Although Field Services personnel knew what had to be done, we were unable to gather and process all the information needed to accurately assess and define the situation, in order to fully comply with our procedure.

We did correct the situation without using the Fire Marshal's information based on information from a Fire Inspector. This occurred at the same time District management was being informed by Deputy Lucas that there was a valve improperly closed but not locked.

CORRECTIVE ACTION

Field Services personnel have been provided specific instruction concerning the current interpretation of the current code. The District has reinforced the training that a shutoff must either be locked or somehow secured to constitute a proper shutoff, and will continue to do so. I would not change the original, emergency field decision to shut off the valve without locking it.

The District plans to institute additional rules for responses to emergency situations, when multiple meters and/or services are involved and when "other" civil authorities are in charge of the site. These additional rules will be included in the Field Services internal procedures and will require that Field Services supervisory personnel visit the site to assure that the site is appropriately secured and document that status (meter by meter) in writing to the Superintendent of Field Services.

If you have further questions, please can contact Ed Buglewicz, Superintendent of Field Services, at 504-7931 or contact me at 504-7903.

Sincerely,



for Jeff Loll, Director,
Engineering Design

**NEBRASKA STATE FIRE MARSHAL - PIPELINE SAFETY SECTION
FOLLOW-UP INSPECTION:**

Name of Operator:	Metropolitan Utilities District	Unit # 15-01-463	Site Omaha
Operator Address: 3100 South 61st Avenue Omaha, NE 68106-3621		Phone Number: (402) 554-7777 Fax Number: Emergency: Federal ID:	
Persons Interviewed	Title	Phone No.	
Ed Buglawicz	Superintendent Field Services	(402) 504-7931	
Laurie Culjat	Field Services Technician		
Person conducting Inspection: Stephen Lucas DSFM 8715		Date: 05-26-2010	
Description: Code 192.605 Date of Letter: 1-22-2010 Type: NOPV Disposition: Closed			
Portion of Unit Inspected : Disconnected Services in various locatins of MUD system			

Comments:

Observed that discontinued services were locked or isolated with a blank flange.

STATE OF NEBRASKA



Dave Heineman
Governor

CORRECTION LETTER



STATE FIRE MARSHAL
John Falgione
Fire Marshal

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

July 20, 2010

Jeffrey G. Loll P.E.
Director of Engineering Design
Metropolitan Utilities District
3100 South 61st Avenue
Omaha, NE 68106-3621

Subject: Notice of Probable Violation – #20100122-N

On January 22, 2010 a Notice of Probable Violation was issued by this office. As a result of your actions and a follow up inspection conducted by this office on May 26, 2010, the following issue is considered resolved.

§192.605 Procedural Manual... (deactivation of facilities).

If you have any questions regarding the substance or propriety of this notice, please contact our office at, Nebraska State Fire Marshal, Pipeline Safety, 246 South 14th Street, Lincoln, NE, 68508-1840 or telephone 402-471-9467.

Handwritten signature of Stephen Lucas in blue ink.

Stephen Lucas, Deputy
Fuels Division, Pipeline Section
Nebraska State Fire Marshal

Handwritten signature of Clark Conklin in blue ink.

Clark Conklin, Chief Deputy
Fuels Division
Nebraska State Fire Marshal

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