

Summary of Inspection Findings

Dates of Inspection: August 1-5, 2022

Operator: SOUTHWEST GAS CORP

Operator ID: 18536 (primary)

Inspection Systems: Anti-Drug and Alcohol Prevention Program

Assets (Unit IDs) with results in this report: GI-2022-08-SWG-30-06 (88373)

System Type: DA

Inspection Name: SWG D&A

Lead Inspector: Michelle Wei

Operator Representative: Laurie Brown

Unsatisfactory Results

No Preliminary Findings.

Concerns

Drug and Alcohol : General Program Requirements (DA.GENERAL)

Question Title, ID Operator Oversight of Service Agents, DA.GENERAL.SERVICEAGENTOVERSIGHT.P

Question 2. Does the process ensure the operator remains responsible for the actions of all its service agents, including a Consortium/Third Party Administrator (C/TPA)?

References 40.11(b) (40.11(c), 40.15(c), 40.341(a), 40.355(a), 40.355(m), 40.355(n))

Assets Covered GI-2022-08-SWG-30-06 (SWG D&A)

Issue Summary Southwest Gas Corporation (SWG) stated in its written procedure under Section V of its plan that the "Company is responsible for the actions of its service agents". During the previous inspection SWG stated that it would use its Third-Party Administrator (TPA) to provide oversight of the clinics that it uses to do employee testing. However, during this inspection, SWG notified SED that their TPA had only completed 3 inspections during 2020. After that time SWG's contact within the TPA had moved on and the TPA did not complete any other inspections as initially agreed upon. SWG stated that they intended to work with their TPA to ensure the inspections resume. It is SWG's responsibility to ensure that its service agents are in compliance with the Title 49, Code of Federal Regulations (CFR), Parts 199 and 40. SED recommends that SWG

request these audit documents from the TPA on an annual basis to prevent a similar occurrence or conduct audits of your collection sites yourselves.

Covered Employees, DA.GENERAL.COVEREDEMPLOYEES.P

Southwest Gas Response

Southwest Gas is working with its Third-Party Administrator (TPA), DISA Tustin/DISA Global Solutions, Inc., to reinstate a program to perform inspections on the collection facilities that perform the Company's employee testing. As this occurs, the Company will perform internal audits of the California collection facilities currently utilized and plans to complete the audits no later than July 31, 2023. Southwest Gas will then develop a rotating schedule for inspections of these facilities by either its TPA or Company personnel.

Question Title, ID

Question 3. Does the process result in the proper and complete identification of covered employees and the exclusion of non-covered employees?

References 199.3 (199.1, 40.347(b)(2))

Assets Covered GI-2022-08-SWG-30-06 (SWG D&A)

Issue Summary SED reviewed SWG list of positions subject to random testing due to performing covered functions in Appendix B. SED discussed with SWG whether all the positions listed perform a covered function as defined in 49 CFR Part 199.3. During the audit, SWG informed SED that SWG's management planned to meet next week to discuss and possibly revise Appendix B in light of the NPRM to add Part 40.13(h). After the meeting, SWG informed SED that they had made the decision to revise the list and remove some of the listed positions. SWG stated that further management discussions will be necessary to determine which positions will be removed. SED is requesting an update on the progress made or a list of the positions removed and why.

Southwest Gas Response

Southwest Gas is conducting a thorough review of Appendix B of our PHMSA Drug & Alcohol Plan and will remove any employees who do not meet the 49 CFR Part 199.3 definitions of a "covered employee" performing a "covered function." The Company drafted an initial list of positions to be removed from Appendix B which will be finalized and completed by December 31, 2022 and will take effect January 1, 2023.