

**APR 23 2012**

Mr. Jimmy D. Staton  
Executive Vice President & CEO  
NiSource Gas Transmission & Storage  
801 E. 86<sup>th</sup> Ave  
Merrillville, IN 46410

**Re: CPF No. 1-2011-1006**

Dear Mr. Staton:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation and assesses a civil penalty of \$67,800. This is to acknowledge receipt of payment of the full penalty amount, by wire transfer, dated June 6, 2011. This enforcement action is now closed. Service of the Final Order by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese  
Associate Administrator  
for Pipeline Safety

Enclosure

cc: Mr. Byron Coy, Director, Eastern Region, OPS  
Mr. Alan Mayberry, Deputy Associate Administrator for Field Operations, OPS  
Mr. Joe Shields, Chief Operating Officer, NiSource Gas Transmission & Storage, 5151  
San Felipe, Suite 2500, Houston, Texas 77056

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

**U.S. DEPARTMENT OF TRANSPORTATION  
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION  
OFFICE OF PIPELINE SAFETY  
WASHINGTON, D.C. 20590**

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<b>In the Matter of</b> )	
)	
<b>Columbia Gas Transmission Company,</b> )	<b>CPF No. 1-2011-1006</b>
<b>LLC,</b> )	
)	
<b>Respondent.</b> )	
_____ )	

**FINAL ORDER**

On May 18 to 22, 2009, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of Columbia Gas Transmission Company, LLC (Columbia GTC or Respondent). Columbia GTC is the operator of a 12,000-mile gas pipeline system that includes more than three dozen storage fields in four states.<sup>1</sup> The particular focus of the May 2009 OPS inspection was the Donegal Gas Storage Field, an interstate natural gas storage field located in Washington County, Pennsylvania.<sup>2</sup>

As a result of the inspection, the Director, Eastern Region, OPS (Director), issued to Respondent, by letter dated May 9, 2011, a Notice of Probable Violation and Proposed Civil Penalty (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Columbia GTC had violated 49 C.F.R. § 192.736(b)(1) and proposed assessing a civil penalty of \$67,800 for the alleged violation.

Columbia GTC responded to the Notice by letter dated June 8, 2011 (Response). The company did not contest the allegation of violation and paid the proposed civil penalty of \$67,800, as provided in 49 C.F.R. § 190.227. Payment of the penalty serves to close the case with prejudice to Respondent.

**FINDING OF VIOLATION**

In its Response, Columbia GTC did not contest the allegation in the Notice that it violated 49 C.F.R. Part 192, as follows:

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<sup>1</sup> <http://www.ngts.com/en/about-us/our-companies.aspx> (last accessed Jan. 9, 2012).

<sup>2</sup> <http://www.ferc.gov/industries/gas.asp> (last accessed Jan. 9, 2012) (providing list of interstate natural gas storage fields by owner and location).

**Item 1:** The Notice alleged that Respondent violated 49 C.F.R. § 192.736(b)(1), which states:

**§ 192.736 Compressor stations: Gas detection.**

(a) Not later than September 16, 1996, each compressor building in a compressor station must have a fixed gas detection and alarm system . . . .

(b) Except when shutdown of the system is necessary for maintenance under paragraph (c) of this section, each gas detection and alarm system required by this section must—

(1) Continuously monitor the compressor building for a concentration of gas in air of not more than 25 percent of the lower explosive limit;. . . .

The Notice alleged that Respondent violated 49 C.F.R. § 192.736(b)(1) by failing to continuously monitor the company's Claysville Compressor Station for a concentration of gas in air of not more than 25 % of the lower explosive limit (LEL). Specifically, the Notice alleged that in November 2006, Columbia GTC had updated its written procedures to require that gas detectors be set at 25% LEL monitoring level, but that a review of its records showed that from January 9, 2007, to October 3, 2008, the gas detectors at the Claysville Compressor Station had been set at 50% LEL level.

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 192.736(b)(1) by failing to continuously monitor the Claysville Compressor Station for a concentration of gas in air of not more than 25 % of the LEL.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

The terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.

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Jeffrey D. Wiese  
Associate Administrator  
for Pipeline Safety

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Date Issued