



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

1200 New Jersey Ave, S.E.  
Washington, D.C. 20590

**JUL 15 2010**

Mr. Carl L. Chapman  
President  
Vectren Corporation  
P.O. Box 209  
Evansville, IN 47702-0209

**RE: CPF No. 2-2007-1014**

Dear Mr. Chapman:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation, assesses a civil penalty of \$51,000, and specifies actions that need to be taken by Vectren Corporation to comply with the pipeline safety regulations. The penalty payment terms are set forth in the Final Order. When the civil penalty has been paid and the terms of the compliance order completed, as determined by the Director, Southern Region, this enforcement action will be 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,

*for: Jeffrey D. Wiese*  
Jeffrey D. Wiese  
Associate Administrator  
for Pipeline Safety

Enclosure

cc: Mr. Wayne Lemoi, Director, Southern Region, PHMSA  
Mr. Rick J. Schach, Vice-President, VUHI – Energy Delivery, Vectren Corp.  
Mr. William Boyd, Director of Pipeline Safety, Indiana Utility Regulatory Commission  
Mr. Chuck Kanoy, Vectren Energy Delivery, Gas Transmission Assets

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED [7005 1160 0001 0039 0591]**

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

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**In the Matter of** )

**Vectren Corporation,** )

**Respondent.** )

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**CPF No. 2-2007-1014**

**FINAL ORDER**

On May 1-4 and May 15-18, 2006, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), the Ohio Public Utility Commission, and the Indiana Utility Regulatory Commission, conducted an on-site pipeline safety inspection of Vectren Corporation's (Vectren or Respondent) gas integrity management program (IMP) in Evansville, Indiana. Vectren is a diversified energy holding company headquartered in Evansville, Indiana, delivers gas and electricity to more than one million utility customers in Ohio and Indiana, and operates approximately 931 miles of gas transmission pipelines.<sup>1</sup>

As a result of the inspection, the Director, Southern Region, OPS (Director), issued to Respondent, by letter dated July 31, 2007, a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had committed various violations of 49 C.F.R. Part 192 and proposed assessing a civil penalty of \$51,000 for the alleged violations. The Notice also proposed ordering Respondent to take certain measures to correct the alleged violations. The Notice further proposed finding that Vectren had committed certain other probable violations of 49 C.F.R. Part 192 and warning the company to take appropriate corrective action or be subject to future enforcement action.

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<sup>1</sup> Vectren's wholly owned subsidiary, Vectren Utility Holdings, Inc., serves as the intermediate holding company for three operating utilities: Vectren Energy Delivery of Indiana – North (Vectren North), Vectren Energy Delivery of Indiana – South (Vectren South) and Vectren Energy Delivery of Ohio (VEDO). (<http://www.vectren.com/web/index.jsp>.)

Respondent requested and received an extension of time to seek clarification and respond to the Notice. Respondent responded timely to the Notice by letter dated October 17, 2007 (Response). Respondent did not contest the allegations of violation and expressed its intent to comply with the proposed corrective actions upon receipt of a final order. Respondent did not request a hearing and therefore has waived its right to one.

### **FINDINGS OF VIOLATION**

Respondent did not contest the allegations in the Notice that it violated 49 C.F.R. Part 192, as follows:

**Item 1:** The Notice alleged that Respondent violated 49 C.F.R. § 192.907(a) and (b), which state:

**§ 192.907 What must an operator do to implement this subpart?**

(a) *General.* No later than December 17, 2004, an operator of a covered pipeline segment must develop and follow a written integrity management program that contains all the elements described in § 192.911 and that addresses the risks on each covered transmission pipeline segment. The initial integrity management program must consist, at a minimum, of a framework that describes the process for implementing each program element, how relevant decisions will be made and by whom, a time line for completing the work to implement the program element, and how information gained from experience will be continuously incorporated into the program. The framework will evolve into a more detailed and comprehensive program. An operator must make continual improvements to the program.

(b) *Implementation Standards.* In carrying out this subpart, an operator must follow the requirements of this subpart and of ASME/ANSI B31.8S (ibr, see § 192.7) and its appendices, where specified. An operator may follow an equivalent standard or practice only when the operator demonstrates the alternative standard or practice provides an equivalent level of safety to the public and property. In the event of a conflict between this subpart and ASME/ANSI B31.8S, the requirements in this subpart control.

The Notice alleged that Respondent violated 49 C.F.R. § 192.907(a) and (b) by failing to follow its own written IMP procedures and the requirements of ASME/ANSI B31.8S and its appendices. Specifically, the Notice alleged that Vectren failed to:

- Collect, integrate, and analyze the data required by its own procedure, *IMP4-001, Pipeline Integrity Data Management*;
- Identify and include consequence factors in its risk assessment process, as required by its own procedure, *IMP-6-003*, and treated consequences uniformly;
- Perform annual updates or incorporate changes to its Baseline Assessment Plan(BAP), as required by its own procedure, *IMP-6-005*, or to keep the BAP up-to-date;

- Follow the requirements in the External Corrosion Direct Assessment (ECDA) NACE RP 0502 standard or follow its own ECDA procedure, *IMP-6-014*, by performing an acceptable ECDA feasibility study, specifying critical data collection and data integration requirements, identifying ECDA regions, or performing the post-assessment step in the ECDA process;
- Implement its own process for data integration for identifying third-party damage threats;
- Implement comprehensive additional preventive measures or perform an analysis to determine if automatic shut-off valves or remote control valves were needed for any High Consequence Area (HCA) segments, as required by its own procedure, *IMP-6-007*; or
- Perform annual audits of its IMP program and processes, as required by its own procedure, *IMP-10-002*.

Respondent did not contest this allegation. Accordingly, after considering all of the evidence, I find that Vectren violated 49 C.F.R. § 192.907(a) and (b) by failing to follow its own written IMP procedures and the requirements of this subpart, ASME/ANSI B31.8S, and its appendices, all as more fully set forth in the Notice.

**Item 2B:** The Notice alleged that Respondent violated 49 C.F.R. § 192.903, which states:

**§ 192.903 What definitions apply to this subpart?**

The following definitions apply to this subpart: . . .

*Potential impact radius* (PIR) means the radius of a circle within which the potential failure of a pipeline could have significant impact on people or property. PIR is determined by the formula  $r = 0.69 * (\text{square root of } (p * d^2)^{0.5})$ , where  $r$  is the radius of a circular area in feet surrounding the point of failure, ‘p’ is the maximum allowable operating pressure (MAOP) in the pipeline segment in pounds per square inch and ‘d’ is the nominal diameter of the pipeline in inches.

The Notice alleged that Respondent failed to ensure that accurate maximum allowable operating pressures (MAOPs) were used to determine the potential impact radius (PIR), as defined in 49 C.F.R. § 192.903. MAOPs are used to identify the extent of covered HCA pipeline segments whose integrity need to be assessed. The Notice further alleged that certain risk-ranking documents were missing MAOP data points. Respondent did not contest this allegation of violation in its Response. Accordingly, after considering all of the evidence, I find that Respondent violated 49 C.F.R. § 192.903 by failing to ensure that accurate MAOPs were used to determine the PIR, as defined in such regulation, and by failing to include all MAOP data points in its risk-ranking documents.

**Item 3B:** The Notice alleged that Respondent violated 49 C.F.R. § 192.917(b), which states:

**§ 192.917 How does an operator identify potential threats to pipeline integrity and use the threat identification in its integrity program?**

(a) . . .

(b) *Data gathering and integration.* To identify and evaluate the potential threats to a covered pipeline segment, an operator must gather and integrate existing data and information on the entire pipeline that could be relevant to the covered segment. In performing this data gathering and integration, an operator must follow the requirements in ASME/ANSI B31.8S, section 4. At a minimum, an operator must gather and evaluate the set of data specified in Appendix A to ASME/ANSI B31.8S, and consider both on the covered segment and similar non-covered segments, past incident history, corrosion control records, continuing surveillance records, patrolling records, maintenance history, internal inspection records and all other conditions specific to each pipeline.

The Notice alleged that Respondent violated 49 C.F.R. § 192.917(b) by failing to gather and integrate existing data and information on its pipelines that were needed to implement Vectren's IMP, as required by its own procedure, *IMP - 4-001*. As a result, Respondent compromised its data integration process, which affected its threat and risk analyses and the accuracy of the priorities contained within its BAP. Specifically, the Notice alleged that Vectren failed to include: (1) a comprehensive plan for collecting, reviewing and analyzing pipeline data or a checklist of data sources to ensure a complete data retrieval process; (2) details on how it intended to continually upgrade the quality and quantity of the data used in its risk analysis process; and (3) a data collection and integration plan that described how data would be collected during bell-hole openings that resulted from the assessment process or maintenance activities and that described how the data would be received by the IM project and then validated and integrated with other data, entered into the pipeline database, and factored into risk analysis updates.

Respondent did not contest this allegation of violation. Accordingly, after considering all of the evidence, I find that Respondent violated 49 C.F.R. § 192.917 (b) by failing to gather and integrate existing data and information on its pipelines that were needed to implement the company's IMP.

**Item 3C:** The Notice alleged that Respondent violated 49 C.F.R. § 192.917(b), as quoted above, by failing to gather and integrate data in accordance with the requirements of ASME/ANSI B31.8S, section 4. Specifically, the Notice alleged that Respondent identified a substantial amount of data as "unknown," which could cause inappropriate risk assessments. For example, Respondent's VEDI-N line, installed in 1987, had a large amount of "unknowns" for a relatively new pipeline. The substantial amount of missing or unknown data and the unconfirmed conservatism of assumptions used to compensate for this missing/unknown data limited Vectren's ability to perform a valid and substantiated risk-ranking of HCAs for use in generating a BAP.

Respondent did not contest this allegation of violation. Accordingly, after considering all of the

evidence, I find that Respondent violated 49 C.F.R. § 192.917(b) by failing to gather and integrate data in accordance with the requirements of ASME/ANSI B31.8S, section 4.

**Item 4A:** The Notice alleged that Respondent violated 49 C.F.R. § 192.919 (a-d), which states:

**§ 192.919 What must be in the baseline assessment plan?**

An operator must include each of the following elements in its written baseline assessment plan:

(a) Identification of the potential threats to each covered pipeline segment and the information supporting the threat identification. (*See* § 192.917.);

(b) The methods selected to assess the integrity of the line pipe, including an explanation of why the assessment method was selected to address the identified threats to each covered segment. The integrity assessment method an operator uses must be based on the threats identified to the covered segment. (*See* § 192.917.) More than one method may be required to address all the threats to the covered pipeline segment;

(c) A schedule for completing the integrity assessment of all covered segments, including risk factors considered in establishing the assessment schedule;

(d) If applicable, a direct assessment plan that meets the requirements of § 192.923, and depending on the threat to be addressed, of §192.925, § 192.927, or § 192.929.

The Notice alleged that Respondent violated 49 C.F.R. § 192.919(a-d) by failing to generate a valid risk-ranked BAP under § 192.917, by the required date of December 17, 2004, or to use a valid risk-ranked BAP in scheduling pipeline assessments. The Notice further alleged that not all identified HCAs were included in the original BAP and that Vectren treated consequences uniformly, such that it did not consider all applicable risk factors in the prioritization of its assessment schedule. It alleged that Vectren had determined its risk-ranked BAP to be invalid in late 2005, yet did not include all segments and was still working on developing a comprehensive risk-based BAP at the time of the PHMSA inspection.

Respondent did not contest this allegation of violation. Accordingly, after considering all of the evidence, I find that Respondent violated 49 C.F.R. § 192.919(a-d) by failing to generate a valid risk-ranked BAP under § 192.917 or to develop a valid risk-ranked schedule for assessments.

**Item 5A:** The Notice alleged that Respondent violated 49 C.F.R. § 192.935 (a), which states:

**§ 192.935 What additional preventive and mitigative (P&M) measures must an operator take?**

(a) *General requirements.* An operator must take additional measures beyond those already required by Part 192 to prevent a pipeline failure and to mitigate the consequences of a pipeline failure in a high consequence area. An operator must base the additional measures on the threats the operator has identified to each pipeline segment. (*See* § 192.917) An operator must conduct, in accordance with one of the risk assessment approaches in ASME/ANSI B31.8S (incorporated by reference, *see*

§ 192.7), section 5, a risk analysis of its pipeline to identify additional measures to protect the high consequence area and enhance public safety. Such additional measures include, but are not limited to, installing Automatic Shut-off Valves or Remote Control Valves, installing computerized monitoring and leak detection systems, replacing pipe segments with pipe of heavier wall thickness, providing additional training to personnel on response procedures, conducting drills with local emergency responders and implementing additional inspection and maintenance programs.

The Notice alleged that Respondent violated 49 C.F.R. § 192.935(a) by failing to take additional measures, beyond those already required by Part 192, to prevent a pipeline failure and to mitigate the consequences of failures in HCAs. Specifically, the Notice alleged that Vectren's IMP procedure, *IMP-6-007*, identified possible preventive and mitigative (P&M) measures but that the company had failed to perform any specific evaluations of its pipelines or to identify which measures were appropriate for specific covered HCA segments. The Notice further alleged that Respondent had failed to implement a data integration process to identify third-party damage threats and to implement appropriate P&M measures to address such threats.

Although Vectren had implemented certain P&M measures, none resulted from a risk analysis for specific HCA segments. The company failed to identify HCA-specific risk drivers that existed for each HCA. Accordingly, after considering all of the evidence, I find that Respondent violated 49 C.F.R. § 192.935(a) by failing to take additional measures, beyond those already required by Part 192, to prevent a pipeline failure and to mitigate the consequences of failures in HCAs.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

### ASSESSMENT OF PENALTY

Under 49 U.S.C. § 60122, Respondent is subject to a civil penalty not to exceed \$100,000 per violation for each day of the violation, up to a maximum of \$1,000,000 for any related series of violations. In determining the amount of a civil penalty under 49 U.S.C. § 60122 and 49 C.F.R. § 190.225 I must consider the following criteria: nature, circumstances, and gravity of the violation, including adverse impact on the environment; degree of Respondent's culpability, the history of Respondent's prior offenses, Respondent's ability to pay the penalty, and any effect that the penalty may have on its ability to continue doing business; and the good faith of Respondent in attempting to comply with pipeline safety regulations. In addition, I may consider the economic benefit gained from the violation without any reduction because of subsequent damages, and such other matters as justice may require. The Notice proposed a \$51,000 civil penalty for violations of 49 C.F.R. Part 192.

**Item 1** of the Notice proposed a civil penalty of \$20,000 for violation of 49 C.F.R. § 192.907(a) and (b), for Respondent's failure to follow its own written IMP procedures. Respondent did not contest this allegation. Respondent's failure to follow its own IMP procedures for maintaining the integrity of the pipeline increased the risk of harm to public

safety and the environment. Respondent has not shown any circumstances that would have prevented it from following its own IMP procedures or justified its failure to do so. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$20,000, for violation of 49 C.F.R. § 192.907(a) and (b).

**Item 4A** of the Notice proposed a civil penalty of \$31,000 for violation of 49 C.F.R. § 192.919(a-d), for Respondent's failure to develop a risk-ranked BAP by the regulatory deadline of December 17, 2004, and to use such a BAP in scheduling pipeline assessments. Respondent did not contest this allegation. It is essential that an operator's risk assessment approach clearly identify the major threats to HCAs for a given pipeline segment or facility, identify how those threats rank in relation to each other, and how the segments and facilities compare to each other based on the risk to HCAs. An operator's failure to sufficiently document its risk analysis process and to analyze the potential effects of pipeline failures on HCAs at specific locations along the pipeline leaves it ill-prepared to address the severity and extent of the consequences that ensue following a failure. A release or failure under such circumstances increases the risk of harm to the public and the environment. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$31,000, for violation of 49 C.F.R. § 192.919 (a-d).

In summary, having reviewed the record and considered the assessment criteria for the violations discussed above, I assess Respondent a total civil penalty of **\$51,000**. A determination has been made that Respondent has the ability to pay this penalty without adversely affecting its ability to continue in business.

Payment of the civil penalty must be made within 20 days of service. Federal regulations (49 C.F.R. § 89.21(b)(3)) require this payment be made by wire transfer, through the Federal Reserve Communications System (Fedwire), to the account of the U.S. Treasury. Detailed instructions are contained in the enclosure. Questions concerning wire transfers should be directed to: Financial Operations Division (AMZ-341), Federal Aviation Administration, Mike Monroney Aeronautical Center, P.O. Box 25082, Oklahoma City, OK 73125. The Financial Operations Division telephone number is (405) 954-8893. Failure to pay the \$51,000 civil penalty will result in accrual of interest at the current annual rate in accordance with 31 U.S.C. § 3717, 31 C.F.R. § 901.9 and 49 C.F.R. § 89.23. Pursuant to those same authorities, a late penalty charge of six percent (6%) per annum will be charged if payment is not made within 110 days of service. Furthermore, failure to pay the civil penalty may result in referral of the matter to the Attorney General for appropriate action in a district court of the United States.

### **COMPLIANCE ORDER**

The Notice proposed a Compliance Order with regard to Items 1, 2B, 3B, 3C, 4A and 5A in the Notice for various violations of 49 C.F.R. Part 192. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations:

1. In regard to Item Number 1 of the Notice, pertaining to developing and following a written IMP and detailed procedures, Vectren must develop specific details of the actions and activities to be accomplished throughout its IMP and implement the requirements in its procedures, including the following actions to:

- a. Collect, integrate and analyze the data required to implement an IMP, as set forth in *IMP 4-001, Section 6*, of Vectren's IM Plan;
- b. Identify and include consequence factors in its risk assessment process, as set forth in *IMP 6-003*;
- c. Perform annual updates and incorporate changes to Vectren's BAP and maintain the BAP up-to-date, as set forth in *IMP 6-005*;
- d. Follow the requirements in the ECDA NACE RP 0502-2002 standard and *IMP 6-014*, including:
  - i) Performing an acceptable ECDA feasibility study
  - ii) Specifying critical data collection and data integration requirements
  - iii) Identifying ECDA regions
  - iv) Performing the post-assessment step of the ECDA process;
- e. Develop and improve its integration of data arising from all sources, including assessments, encroachments or foreign line crossings, and to implement its process for data integration to identify third-party damage threats;
- f. Implement comprehensive additional preventive measures and perform an analysis to determine if automatic shut-off valves or remote control valves are needed for any HCA segments, as set forth in *IMP 6-007*; and
- g. Perform annual audits of its IMP and processes, as set forth in *IMP 10-001* and *IMP 10-002*.

Respondent must evaluate the need to re-perform its previously conducted indirect examinations and provide a plan of action or justification if evaluation determines that performing such indirect examinations again is not required.

2. In regard to Item Number 2B of the Notice, pertaining to the use of valid MAOPs in determining potential impact radii and identifying identified sites and HCAs, Vectren must confirm valid MAOPs and ensure that all MAOPs are accurate for all HCA pipeline segments. Vectren must also ensure accurate MAOPs are used to determine the potential impact radii and verify the accuracy of its list of covered HCA pipeline segments whose integrity is being assessed.

3. In regard to Item Number 3B of the Notice, pertaining to identification, gathering and integration of data, Vectren must:

- a. Gather and integrate existing data and information on its pipelines that are needed

to implement its IMP;

- b. Develop and implement a process for the integration of information on encroachments and foreign line crossings for evaluating the threat of third-party damage;
  - c. Implement a comprehensive data integration process for collecting, reviewing and analyzing pipeline data to ensure accurate
    - i) Threat assessment;
    - ii) Risk analyses; and
    - iii) Assessment priorities contained within its BAP;
  - d. Ensure that it continually upgrades the quality and quantity of data entered into the pipeline database and used in the risk analysis process;
  - e. Describe how its data collection and integration plan collects data during bell-hole openings, how such data are received by the IM project, how they are validated and integrated with other data, how they are entered into the pipeline database, and how they are factored into the company's risk analysis updates.
4. In regard to Item Number 3C of the Notice, pertaining to the substantial amount of data identified as missing or unknown, Vectren must:
- a. Obtain missing or unknown data and confirm or validate assumed or unverified data to ensure valid risk assessments;
  - b. Identify all unknown data and provide a plan of action to reduce unknowns; and
  - c. Identify and implement a viable data integration process which supports its risk analysis process, BAP, and preventive and mitigative measures evaluation plan.
5. In regard to Item Number 4A of the Notice, pertaining to generating a valid risk-ranked BAP to use in scheduling pipeline assessments, Vectren must:
- a. Ensure that it implements a valid and comprehensive threat evaluation and a current risk analysis;
  - b. Develop a comprehensive, valid risk-ranked BAP to schedule and accomplish its pipeline assessments; and
  - c. Ensure that (1) all identified HCAs are included in the BAP; (2) consequences are defined and applied; (3) ECDA assessments are completed and properly accounted for; and (4) assessments are properly managed and tracked in the BAP.
6. In regard to Item Number 5A of the Notice, pertaining to developing and implementing a valid P&M Measures Plan, Vectren must:
- a. Develop and implement a risk-based P&M Measures Plan to identify additional

P&M measures to reduce the risk on specific HCA-covered segments;

- b. Implement a data integration process to identify third-party damage threats and implement appropriate P&M measures for its affected HCAs; and
  - c. Perform a risk-based evaluation for each HCA segment to determine if automatic shut-off valves or remote control valves are needed.
7. Vectren must complete the above actions within 90 days of receipt of this Final Order.

8. Vectren must maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Mr. Wayne Lemoi, Director, Southern Region, Pipeline and Hazardous Materials Safety Administration. Costs shall be reported in two categories: (1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and (2) total cost associated with replacements, additions and other changes to pipeline infrastructure.

The Director may extend the period for complying with any of the required items upon a written request timely submitted by Respondent demonstrating good cause for an extension.

Failure to comply with this Order may result in administrative assessment of civil penalties not to exceed \$100,000 for each violation for each day the violation continues or in referral to the Attorney General for appropriate relief in a district court of the United States.

### WARNING ITEMS

With respect to Items 2A, 3A, 3D, and 4B, the Notice alleged probable violations of Part 192 but did not propose civil penalties or a compliance order for these items. Therefore, these are considered to be warning items. The warnings were for:

49 C.F.R. § 192.911(a) (**Item 2A**) – Respondent’s alleged failure to document whether non-pipe facilities, (e.g., regulator stations, compressor stations) had any additional impact to HCAs;

49 C.F.R. § 192.917(a) (**Item 3A**) – Respondent’s alleged failure to evaluate all potential threats to its pipeline system, to determine whether manufacturing and construction threats were unstable and in need of assessment, to identify covered segments containing low-frequency electric resistance welded (ERW) or lap-welded pipe or with manufacturing or construction defects, and to identify assessment methods for addressing such threats;

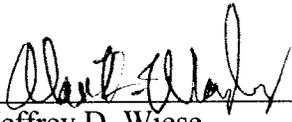
49 C.F.R. § 192.917(b) (**Item 3D**) – Respondent’s alleged failure to identify and evaluate potential threats to its pipeline due to inadequate staffing of the IM project during its development; and

49 C.F.R. § 192.919(a-c) (**Item 4B**) – Respondent’s alleged failure to ensure that appropriate assessments were performed to address all potential threats to pipeline

integrity. Vectren allegedly conducted assessments using only ECDA, which only assesses the threat of external corrosion.

Vectren presented information in its Response showing that it had taken certain actions to address the cited items. Accordingly, having considered such information, I find, pursuant to 49 C.F.R. § 190.205, that probable violations of 49 C.F.R. § 192.917(a) (Notice Item 3A), 49 C.F.R. § 192.917(b) (Notice Item 3D), and 49 C.F.R. § 192.919(a-c) (Notice Item 4B) have occurred and Respondent is hereby advised to correct such conditions. In the event that OPS finds a violation of any of these items in a subsequent inspection, Respondent may be subject to future enforcement action.

Under 49 C.F.R. § 190.215, Respondent has a right to submit a Petition for Reconsideration of this Final Order. The petition must be sent to: Associate Administrator, Office of Pipeline Safety, PHMSA, 1200 New Jersey Avenue, SE, East Building, 2<sup>nd</sup> Floor, Washington, DC 20590, with a copy sent to the Office of Chief Counsel, PHMSA, at the same address. PHMSA will accept petitions received no later than 20 days after receipt of service of this Final Order by the Respondent, provided they contain a brief statement of the issue(s) and meet all other requirements of 49 C.F.R. § 190.215. The filing of a petition automatically stays the payment of any civil penalty assessed. Unless the Associate Administrator, upon request, grants a stay, all other terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.

*for*   
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Jeffrey D. Wiese  
Associate Administrator  
for Pipeline Safety

**JUL 15 2010**

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Date Issued