



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

233 Peachtree Street Ste 600
Atlanta, GA 30303

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 14, 2008

Mr. Samuel L Dozier
VP Commercial and Field Operations
Carolina Gas Transmission Corporation
105 New Way Road
Columbia, SC 29224-2407

CPF No. 2-2008-1007W

Dear Mr. Dozier:

On September 24-28, 2007 and October 29 – November 7, 2007, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your pipeline procedures, records and facilities in Columbia, South Carolina.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

1. 192.13 General

(c) Each operator shall maintain, modify as appropriate, and follow the plans, procedures, and programs that it is required to establish under Part 192.

The Operation & Maintenance Procedure 603 on pressure testing should reference the Carolina Gas Transmission Corporation (CGT) Operating Guidelines which contain hydrostatic testing procedures. CGT has been working to establish and standardize the company procedures since the merger of two companies to form CGT.

2. 192.225 Welding procedures.

(a) Welding must be performed by a qualified welder in accordance with welding procedures qualified under section 5 of API 1104 (ibr, see 192.7) or section IX of the ASME Boiler and Pressure Vessel Code “Welding and Brazing Qualifications” (ibr, see 192.7) to produce welds meeting the requirements of 192 Subpart E.

A review of the CGT Welding Manual found an incorrect reference to the 18th edition of API 1104. CGT must ensure that its Welding Manual has the correct reference of API 1104 19th edition.

3. 192.603 General provisions.

(b) Each operator shall keep records necessary to administer the procedures established under 192.605.

The current CGT document management system referenced in the CGT O&M manual, Monitor-Pro 5 (MP5), for tracking and recording maintenance activities has a number of deficiencies. The information recorded on the maintenance forms such as valve and compressor station maintenance is not complete when recorded in the MP5 document management system. CGT is in the process of evaluating and establishing a new document management system for maintenance activities.

4. 192.705 Transmission lines: Patrolling.

(a) Each operator shall have a patrol program to observe surface conditions on and adjacent to the transmission line right-of-way for indications of leaks, construction activity, and other factors affecting safety and operation.

A field inspection of the right-of-way location Station 27-5 near the Summerville area raised safety concerns about steel beams and a pile of gravel on the right-of-way. The concern will be addressed with the sister company South Carolina Electric & Gas which shares the right-of-way with CGT.

5. 192.706 Transmission lines: Leakage surveys.

Leakage surveys of a transmission line must be conducted at intervals not exceeding 15 months, but at least once each calendar year. However, in the case of a transmission line which transports gas in conformity with 192.625 without an odor or odorant, leakage surveys using leak detector equipment must be conducted---

(a) In Class 3 locations, at intervals not exceeding 7 ½ months, but at least twice each calendar year.

CGT must ensure that it properly documents the leakage surveys of its Class 3 un-odorized area with leak detector equipment on the 20 inch Port Wentworth segment. The leakage survey records reviewed during the inspection did not demonstrate compliance with the required interval of 7 ½ months. However, CGT provided several documents from Heath Consultants to verify the dates, location and use of leak detection equipment for compliance.

6. 192.736 Compressor stations: Gas detection.

(c) Each gas detection and alarm system required by this section must be maintained to function properly. The maintenance must include performance tests.

CGT must ensure that the test performed on each means of activation for the ESD system, fire protection and gas detection is properly documented. The records provided for review at the headquarter office from the MP5 system did not list the locations tested at each compressor station. The compressor station logbook was reviewed during the field inspection and indicated that testing of each means for activating the systems was performed.

7. 192.745 Valve maintenance: Transmission Lines.

(b) Each transmission line valve that might be required during any emergency must be inspected and partially operated at intervals not exceeding 15 months, but at least once each calendar year.

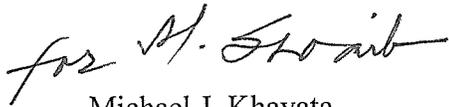
The valve maintenance records were inconsistent with recorded information such as location and type of maintenance (lubricate, turn, paint, etc.). CGT is in the process of developing new forms for valve maintenance.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item(s) identified in this letter. Failure to do so will result in Carolina Gas Transmission Corporation being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF No. 2-2008-1007W**. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the

portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

Sincerely,

A handwritten signature in black ink that reads "for M. Khayata". The signature is written in a cursive, flowing style.

Michael J. Khayata
Acting Director, Southern Region
Pipeline and Hazardous Materials Safety Administration

A small handwritten mark consisting of two slanted parallel lines, resembling the number "11" or initials.