



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

8701 South Gessner, Suite 1110
Houston, TX 77074

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 2, 2008

Walter Ferguson
Vice President
Mississippi River Transmission Corporation
(CenterPoint Energy)
525 Milam St.
Shreveport, LA 71101

CPF 4-2008-1005W

Dear Mr. Ferguson:

At approximately 10:30 a.m. CST, on May 25, 2007, CenterPoint Energy-Mississippi River Transmission Corporation experienced a release of natural gas near Dubach, Louisiana. The release was not reported to the National Response Center (NRC) in Washington, DC until 2:55 p.m. EST, on May 30, 2007 (NRC Report #836940 enclosed). It appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The probable violations are:

1. **§191.5 Telephonic notice of certain incidents.**
 - (a) **At the earliest practicable moment following discovery, each operator shall give notice in accordance with paragraph (b) of this section of each incident as defined in 191.3**

The release that occurred on May 25, 2007 meets the reporting criteria due to the personal injury necessitating in-patient hospitalization. This office does not believe that the telephonic notice, made over five days after the discovery of this incident, was made at the earliest practicable moment.

Attached is an Alert Notice (ALN-91-01) issued by the Department of Transportation, dated April 15, 1991, that was sent to all pipeline operators, re-emphasizing that telephonic notices can and should be made within one to two hours after discovery.

2. §199.105 Drug tests required.

(b) Post-accident testing. As soon as possible but no later than 32 hours after an accident, an operator shall drug test each employee whose performance either contributed to the accident or cannot be completely discounted as a contributing factor to the accident. An operator may decide not to test under this paragraph but such a decision must be based on the best information available immediately after the accident that the employee's performance could not have contributed to the accident or that, because of the time between that performance and the accident, it is not likely that a drug test would reveal whether the performance was affected by drug use.

PHMSA had a discussion with Johnny Cavitt of CenterPoint Energy on May 31, 2007 at 1:10 P. M., Mr. Cavitt stated there was no post accident drug testing administered to the employee. Information was not obtained immediately after the accident that would eliminate the employee's performance as a contributing factor.

3. §199.225 Alcohol tests required.

(a) Post-accident. (1) As soon as practicable following an accident, each operator shall test each surviving covered for alcohol if that employee's performance of a covered function either contributed to the accident or cannot be completely discounted as a contributing factor to the accident. The decision not to administer a test under this section shall be based on the operator's determination, using the best available information at the time of the determination, that the covered employee's performance could not have contributed to the accident.

(2)(i) If a test required by this section is not administered within two hours following the accident, the operator shall prepare and maintain on file a record stating the reasons the test was not promptly administered. If a test required by paragraph (a) is not administered within eight hours following the accident, the operator shall cease attempts to administer an alcohol test and shall state in the record the reasons for not administering the test.

PHMSA had a discussion with Johnny Cavitt of CenterPoint Energy on May 31, 2007 at 1:10 P. M., Mr. Cavitt stated there was no post accident alcohol testing administered to the employee. Information was not obtained immediately after the accident that would eliminate the employee's performance as a contributing factor.

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 items identified in this letter. Failure to do so will result in CenterPoint Energy 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 4-2008-1005W**. 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,



R.M. Seeley
Director, Southwest Region
Pipeline and Hazardous
Materials Safety Administration