

MAY 1 2012

Mr. Joseph P. Shields
Chief Operating Officer
NiSource Gas Transmission and Storage
5151 San Felipe, #2500
Houston, TX 77056

Re: CPF No. 4-2011-1014

Dear Mr. Shields:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation and finds that Columbia Gulf Transmission Company has completed the actions specified in the Notice to comply with the pipeline safety regulations. Therefore, this case 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. Rod Seeley, Director, Southern Region, OPS
Mr. Alan Mayberry, Deputy Associate Administrator for Field Operations, OPS
Mr. Michael Hoffman, Manager, System Integrity, NiSource Gas Transmission &
Storage, 1700 McCorkle Avenue, Charleston, WV 25314

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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

In the Matter of)
)
Columbia Gulf Transmission Company,) **CPF No. 4-2011-1014**
)
Respondent.)

FINAL ORDER

On various dates in 2010, 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 Gulf Transmission Company (CGTC or Respondent) in Louisiana, Mississippi, Tennessee, and Kentucky. CGTC is the operator of a 3,400-mile interstate pipeline system that transports natural gas to customers and markets in the Midwest, Southeast, and Northeast.¹

As a result of the inspection, the Director, Southwest Region, OPS (Director), issued to Respondent, by letter dated November 7, 2011, a Notice of Probable Violation and Proposed Compliance Order (Notice), which also included a warning item pursuant to 49 C.F.R. § 190.205. In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that CGTC had violated 49 C.F.R. Part 192 and proposed ordering Respondent to take certain measures to correct the alleged violation. The warning item required no further action but warned the operator to correct the probable violation or face future potential enforcement action.

CGTC responded to the Notice by letter dated December 12, 2011 (Response). The company did not contest the allegations of violation but provided information concerning the corrective actions it had taken. Respondent did not request a hearing and therefore has waived its right to one.

FINDING OF VIOLATION

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

¹ CGTC is a subsidiary of NiSource Gas Transmission & Storage, which owns and operates approximately 15,000 miles of interstate natural gas pipelines and an integrated underground storage system in North America. <http://www.ngts.com/en/home.aspx> (last accessed Feb. 29, 2012).

Item 2: The Notice alleged that Respondent violated 49 C.F.R. § 192.615(b), which states:

§ 192.615 Emergency Plans.

(a) Each operator shall establish written procedures to minimize the hazard resulting from a gas pipeline emergency. At a minimum, the procedures must provide for the following:

(b) Each operator shall:

(1)

(2) Train the appropriate operating personnel to assure that they are knowledgeable of the emergency procedures and verify that the training is effective.

The Notice alleged that Respondent violated 49 C.F.R. § 192.615(b) by failing to train appropriate operating personnel to assure that they were knowledgeable of the company's emergency procedures and to verify that the training was effective. Specifically, the Notice alleged that CGTC did not have adequate documentation to demonstrate that the company's control center personnel had received the required training, or that Respondent had taken steps to verify the effectiveness of that training. The Notice stated that the only documentation CGTC provided to the OPS inspection team was a sign-in sheet and brochure for the emergency plan training for the company's control center personnel.

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. § 192.615(b) by failing to train appropriate operating personnel to assure that they were knowledgeable of the company's emergency procedures and to verify that the training was effective.

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

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 2 in the Notice for violations of 49 C.F.R. § 192.615. 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. The Director indicates that CGTC has taken the following actions in response to the proposed compliance order:

1. With respect to the violation of § 192.615(b) (**Item 2**), Respondent has implemented a robust emergency training plan program for its control center personnel. PHMSA has reviewed the procedures and records for that program and found them to be satisfactory.

Accordingly, I find that compliance has been achieved with respect to this violation. Therefore, the compliance terms proposed in the Notice are not included in this Order.

WARNING ITEM

With respect to Item 1, the Notice alleged probable violations of Part 191 but did not propose a civil penalty or compliance order for this item. Therefore, this is considered to be a warning item. The warning was for:

49 C.F.R. § 191.5(a) **(Item 1)** — Respondent's alleged failure to provide telephonic notice to the National Response Center at the earliest practicable moment after discovering two incidents, on August 25, 2006, and August 3, 2007, meeting the definition of reportable incidents under § 191.3.

CGTC presented information in its Response showing that it had taken certain actions to address the cited item. If OPS finds a violation of this provision in a subsequent inspection, Respondent may be subject to future enforcement action.

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

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Date Issued