

JUN 30 2010

Mr. Rolf A. Gafvert
President
Texas Gas Transmission, LLC
9 Greenway Plaza, Suite 2800
Houston, TX 77046

RE: CPF No. 2-2008-1004

Dear Mr. Gafvert:

Please find enclosed the Final Order issued in the above-referenced case. It makes a finding of violation and assesses a civil penalty of \$100,000. I further acknowledge receipt of Texas Gas Transmission's payment dated April 10, 2008, in the amount of \$100,000, as payment in full of the civil penalty. 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. Wayne Lemoi, Director, Southern Region, PHMSA
Mr. Mike McMahon, Senior Vice-President & General Counsel, Texas Gas
Transmission, LLC
Mr. Jack Adams, Director, DOT Compliance and Security, Boardwalk Pipeline Partners

CERTIFIED MAIL - RETURN RECEIPT REQUESTED [7005 1160 0001 0039 0577]

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

In the Matter of)
)
Texas Gas Transmission, LLC,)
)
Respondent.)
)

CPF No. 2-2008-1004

FINAL ORDER

On November 9, 2007, 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 investigation of an incident that occurred on October 29, 2007, in Slaughters, Kentucky, involving the facilities of Texas Gas Transmission, LLC (TGT or Respondent). TGT, a subsidiary of Boardwalk Pipeline Partners, LP, operates over 6,000 miles of natural gas pipeline from the Gulf of Mexico to U.S. markets in the South, Midwest and Northeast.

As a result of the investigation, the Director, Southern Region, OPS (Director), issued to Respondent, by letter dated March 6, 2008, a Notice of Probable Violation and Proposed Civil Penalty (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. § 192.605(a) and proposed assessing a civil penalty of \$100,000 for the alleged violation.

TGT responded to the Notice by electronic mail dated May 13, 2008 (Response), and provided proof of payment of the proposed civil penalty of \$100,000, as provided in 49 C.F.R. § 190.227. Payment of the penalty serves to close the case with prejudice to Respondent.

FINDINGS OF VIOLATION

In its Response, TGT did not contest the allegation 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. § 192.605(a), which states, in relevant part:

§ 192.605 Procedural manual for operations, maintenance, and emergencies.

(a) *General.* Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. . . .

The Notice alleged that TGT failed to follow its own written procedures for conducting operations and maintenance activities. Specifically, it alleged that Respondent failed to follow its procedures for preparing and following site-specific plans for running cleaning pigs. TGT failed to follow its procedure, entitled *Texas Gas Procedures, T.70.53.01.07, Section 5.0, Running Pigs: Subpart 5.1.1*, which specifies the procedures for preparing such plans. Each plan was required to include the following procedures:

- Launching the pig
- Running the pig, including controlling the speed, when required
- Handling liquids and/or material received
- Removing the pig from the trap
- Addressing all safety concerns.

The investigation revealed that on October 29, 2007, while TGT's employees were in the process of running two cleaning pigs at the company's Slaughters Compressor Station, they noticed that the second pig was not running properly. The pig "trap" was blown down to investigate the operation of the second pig, but the employees did not have a way of determining the pressure inside the pig trap prior to opening the door. When they opened the door to check the location of the pig, the pig dislodged with such force that it broke the door and pinned one of the employees to a backhoe approximately four feet behind the pig launcher. As a result of the accident, the injured employee lost his leg. Respondent later determined that the second cleaning pig had blocked a section of the blow-off piping and did not allow for the full relief of the gas pressure in the pig trap. The investigation showed that Respondent had failed to prepare and follow a site-specific plan covering the procedures listed above for this portion of its 26-inch mainline.

The language of 49 C.F.R. §192.605(a) requires operators to prepare and follow, for **each** pipeline, a manual of written procedures for conducting operations, maintenance, and emergency response. The regulation prescribes the minimum safety requirements for all pipeline facilities, including both new and existing pipelines. All pipeline operators must maintain, follow and make available to appropriate operating personnel a manual of written procedures for conducting operations and maintenance activities to enable such personnel to safely and effectively perform their duties and to maintain the operator's facilities. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. §192.605 (a), by failing to follow its own manual of written procedures (*Texas Gas Procedures, T.70.53.01.07, Section 5.0, Running Pigs: Subpart 5.1.1*), which required the company to prepare and follow a site-specific plan for operating pigs on each of its lines.

This finding of violation will be considered a prior offense 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: the nature, circumstances, and gravity of the violation, including adverse impact on the environment; the degree of Respondent's culpability; the history of Respondent's prior offenses; the 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 the 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 total civil penalty of \$100,000 for violation of 49 C.F.R. § 192.605 (a).

Item 1 of the Notice proposed a civil penalty of \$100,000 for violation of 49 C.F.R. § 192.605(a), for Respondent's failure to follow its own manual of written procedures for preparing and following a site-specific plan for running pigs on its 26-inch mainline at the Slaughters Compressor Station in Slaughters, Kentucky. Federal regulations require that operators follow for each pipeline a manual of written procedures for conducting operations, maintenance, and emergency response. Procedures are essential for operator personnel to be able to perform their duties safely and efficiently. TGT failed to prepare a plan for running pigs, as specified in its manual of written procedures. Respondent did not contest the violation or the civil penalty. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$100,000, which amount has already been paid by Respondent.

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