

## WARNING LETTER

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 11, 2015

Mr. Richard Keyser  
Sr. Vice President Operations  
Texas Gas Transmission, LLC  
9 Greenway Plaza, Suite 2800  
Houston, TX 77046

**CPF 2-2015-1003W**

Dear Mr. Keyser:

From April 20 to May 14, 2015, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), Southern Region inspected certain Texas Gas Transmission, LLC (TGT) pipelines in Kentucky and reviewed records at its West Greenville, Midland, Bowling Green, and Hanson, Kentucky offices, pursuant to Chapter 601 of 49 United States Code.

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

- 1. §192.479 Atmospheric corrosion control: General.**  
**... (b) Coating material must be suitable for the prevention of atmospheric corrosion.**

TGT did not use coating material suitable for the prevention of atmospheric corrosion on the piping at certain soil-to-air interface pipes at the Midland and West Greenville storage fields.

OPS inspectors observed faulty coating, exposed metal, and rust stains on valve #167 (well #16809 side valve area, line MIGF 16809WT, 4-inch line to Well 16809), and at the West Greenville well #16076 area (WGGF 16076WT, 4-inch Line to Well 16076).

2. **§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. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.**

TGT did not follow its manual of written procedures for conducting operations and maintenance activities and for emergency response as follows.

1. TGT's written procedure in its operations & maintenance (O&M) manual *Section 8020 - External Corrosion Control* conveyed that a report would be made to the Corrosion System Leader and Area Manager upon determining that a casing was electrically shorted to a pipe so arrangements could be made to clear the short, if feasible.

Notwithstanding the above, TGT did not provide records or any other documentation to show that upon determining on September 1, 2010, that the casing on Line W-1 at an abandoned railroad crossing was shorted to the pipeline, it determined the feasibility or non-feasibility of clearing the short. Moreover, it did not clear the short. Instead, TGT monitored the crossing in a class 1 location area with gas leak detector equipment on a semi-annual frequency.

2. TGT's written procedure in its O&M manual *Section 8030 – Internal Corrosion Control* conveyed that a pipeline inspection form (i.e. a *Facility Inspection and Repair Report* or its predecessor a *Pipeline Inspection and Repair Report*) would be completed when certain maintenance activities were undertaken.

Notwithstanding the above, TGT did not provide records or any other documentation to show that it completed either a *Facility Inspection and Repair Report* or its predecessor a *Pipeline Inspection and Repair Report* when it removed pipe at the Barkley-Lovell 8-inch facility and at the Lavell-Williams 4-inch line in 2011 or on two occasions where internal surfaces were exposed when opening filters/separators.

3. TGT did not follow its maintenance procedures because it did not correctly document the inspected pipeline when investigating for potential 3rd party damage. Inspection report TXG-0092-7884-13-1 dated 05/14/2013 incorrectly indicated SLG-13-1 was the pipeline inspected. TGT conveyed during the inspection that SLG-12-1 was the actual line inspected. Subsequent to the inspection TGT corrected and filed the report.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to

exceed \$1,000,000 for a 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 Texas Gas Transmission, LLC 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 2-2015-1003W**. 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,

Wayne T. Lemoi  
Director, Office of Pipeline Safety  
PHMSA Southern Region