

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED CIVIL PENALTY**

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 19, 2016

Tommy Kilpatrick
Vice President, Operations
Columbia Gulf Transmission, LLC
1700 McCorkle Avenue
Charleston, West Virginia 25314

CPF 4-2016-1001

Dear Mr. Kilpatrick:

On April 25, 2014, Columbia Gulf Transmission (Columbia) experienced a pipeline failure on their ML300 natural gas pipeline near Delhi, Louisiana. As a result of the incident, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code reviewed the information filed in response to the incident.

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

1. §191.15 Transmission systems, gathering systems, and liquefied natural gas facilities. Incident report.

(c) Supplemental report. Where additional related information is obtained after a report is submitted under paragraph (a) or (b) of this section, the operator must make a supplemental report as soon as practicable with a clear reference by date to the original report.

Columbia Gulf Transmission, LLC (Columbia) failed to file a supplemental report for the ML300 natural gas pipeline incident that occurred on April 25, 2014, as soon as practicable after additional information was obtained.

Columbia experienced a reportable incident on their ML300 natural gas pipeline located near Delhi, Louisiana. As a result, Columbia filed a PHMSA Form F7100.2 for the incident, listing “unknown/still under investigation” cause on the form on May 22, 2014.

On April 7, 2015, Columbia received a metallurgical analysis report that provided the necessary information to determine a probable cause of failure and did not file a supplemental final report until receiving a request from the Southwest Region.

On September 30, 2015, Columbia filed a supplemental report with a cause of “miscellaneous”; however, the metallurgical report indicates the failure was caused by fatigue.

Repeated requests for an accurate supplemental final report based on the metallurgical analysis information resulted in a submittal of an additional supplemental final report with a cause consistent with the metallurgical report findings on November 29, 2015.

Proposed Civil Penalty

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. Also, for LNG facilities, an additional penalty of not more than \$50,000 for each violation may be imposed. The Compliance Officer has reviewed the circumstances and supporting documentation involved in the above probable violation(s) and has recommended that you be preliminarily assessed a civil penalty of \$33,100 as follows:

<u>Item number</u>	<u>PENALTY</u>
Item 1	\$33,100

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. All material submit in response to this enforcement action may be 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). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

In your correspondence on this matter, please refer to **CPF 4-2016-1001** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*