



U.S. Department
Of Transportation
**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.989.2171

WARNING LETTER

OVERNIGHT EXPRESS MAIL

April 16, 2014

Jeffrey Bruner
President
Iroquois Gas Corporation
One Corporate Drive, Suite 600
Shelton, CT 06484

CPF 1-2014-1005W

Dear Mr. Bruner:

From March 5 to May 4, 2012, inspectors from the New York State Department of Public Service (NYSDPS) and the Connecticut Department of Energy and Environmental Protection, acting as agents for the Pipeline and Hazardous Materials Safety Administration (PHMSA), and representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code conducted an integrated inspection of Iroquois Gas Corporation's (Iroquois) assets in Connecticut and New York.

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

1. §192.465 External corrosion control: Monitoring.

(a) Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of §192.463. . .

(d) Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring.

Iroquois failed to take prompt remedial action to correct deficiencies indicated by its external corrosion control monitoring (annual cathodic protection survey).

During the inspection, PHMSA inspectors reviewed the annual cathodic protection survey records for the Southern New York area from valve MLV-34 to valve MLV-35. The PHMSA inspectors observed that three locations along the pipeline indicated low cathodic protection (CP) under the requirement of §192.463. Iroquois' pipe-to-soil voltages were less negative than -0.85 volts for more than one inspection interval, as shown below.

Valve Sgmt Code and Pipe	Station Number	Location Description	Inspection Date and Time	Structure P/S (Volts)	Structure IRF (Volts)
MLV-34-PL	81+94	D/S Fort S Rd 1	4/26/2011	-0.649	-0.303
			4/3/2012	-0.654	-0.214

Valve Sgmt Code and Pipe	Station Number	Location Description	Inspection Date and Time	Structure P/S (Volts)	Structure IRF (Volts)
MLV-35-PL	173+65	U/S Vet's Hwy 1	4/25/2011	-0.645	-0.312
			4/2/2012	-0.672	-0.290

Valve Sgmt Code and Pipe	Station Number	Location Description	Inspection Date and Time	Structure P/S (Volts)	Structure IRF (Volts)
MLV-35-PL	173+51	D/S Vets Hwy	4/25/2011	-0.636	-0.290
			4/2/2012	-0.573	-0.234

Additionally, Iroquois had low CP readings in the Connecticut area at locations between valve MLV-31 and valve MLV-32 from 2010 to 2012.

Iroquois could not produce any records of any remedial work that was done to correct these deficiencies. Therefore, Iroquois did not take prompt remedial action.

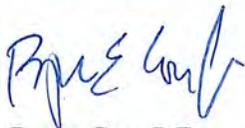
Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000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

No reply to this letter is required. If you choose to reply, please address your correspondence to: Byron Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628 and please refer to **CPF 1-2014-1005W**. 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).

Additionally, if you choose to reply to this (or any other case), please ensure that any response letter pertains solely to one CPF case number.

Sincerely,



Byron Coy, P.E.
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

cc: Mr. Kevin Speicher, NYSDPS
Mr. Karl Baker, Connecticut Department of Energy and Environmental Protection