



U.S. Department
of Transportation

Pipeline and
Hazardous Materials
Safety Administration

840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628
609.771.7800

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED COMPLIANCE ORDER**

OVERNIGHT EXPRESS DELIVERY

December 26, 2018

Michele Harradence
VP Gas Transmission & Midstream Operations
Steckman Ridge, LP
5400 Westheimer Court
Houston, TX 77251-1642

CPF 1-2018-1025

Dear Ms. Harradence:

From January 22, 2018 – August 24, 2018, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected records relative to Steckman Ridge, LP (Steckman Ridge) as a part of the “Spectra TX Eastern North” system inspection. This inspection system included the Steckman Ridge storage facility in Bedford County, Pennsylvania.

As a result of the inspection, it is alleged that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violation is:

1. § 192.616 Public Awareness

- (a) Except for an operator of a master meter or petroleum gas system covered under paragraph (j) of this section, each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute’s (API) Recommended Practice (RP) 1162 (incorporated by reference, see § 192.7)**

Steckman Ridge failed to implement portions of its written continuing public education program. Specifically, Steckman Ridge failed to follow Table 4 of its External Communication Plan,

versions dated 4/29/15 and 2/22/17 (EC Plans), by not distributing message mailings related to storage facilities in accordance with the frequency requirements therein.

Steckman Ridge's EC Plans included *Table 4: Enhanced Message Content and Methods Stakeholders – Not Key* (Table 4). Table 4 outlined unique facility message delivery frequency for (U.S. gas) Affected Public (located within one mile of the unique facility) as message mailing at least every two years, (U.S. gas) Local Public Officials (with jurisdiction for geographic area of the unique facility) and (U.S. gas) First Responders (with jurisdiction for geographic area of the unique facility) as message delivery at least every year, respectively. These unique facilities include compressor stations, LNG facilities, and storage facilities. Records of these unique facility message mailings, dating back to 2015 and related to storage facilities, were requested during the inspection, and could not be provided by Steckman Ridge at the time.

In an email dated October 11, 2018, Steckman Ridge personnel stated:

“Brochures specific to storage facilities of any type have not been mailed... Compressor station and LNG brochures were mailed to residents, businesses, emergency officials, schools and farmers August 31, 2016. Storage brochures were not mailed but they would have gone to residence, businesses, emergency officials, schools, and farmers.”

Therefore, Steckman Ridge failed to implement its written continuing public education program by failing to distribute storage facility mailings in accordance with Table 4 of its EC Plans.

Proposed Compliance Order

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$213,268 per violation per day the violation persists, up to a maximum of \$2,132,679 for a related series of violations. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 for a related series of violations.

We have reviewed the circumstances and supporting documents involved in this case, and have decided not to propose a civil penalty assessment at this time.

With respect to item 1 pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Steckman Ridge, LP. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

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. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, or request a hearing under 49 CFR § 190.211. 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. If you are responding to this Notice, we propose that you submit your correspondence to my office within 30 days from receipt of this Notice. This period may be extended by written request for good cause.

Please submit all correspondence in this matter to Robert Burrough, Director, PHMSA Eastern Region, 840 Bear Tavern Road, Suite 300, West Trenton, New Jersey 08628. Please refer to **CPF 1-2018-1025** on each document you submit, and whenever possible provide a signed PDF copy in electronic format. Smaller files may be emailed to robert.burrough@dot.gov. Larger files should be sent on a CD accompanied by the original paper copy to the Eastern Region Office.

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

Sincerely,



Robert Burrough
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Compliance Proceedings

PROPOSED COMPLIANCE ORDER

Pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Steckman Ridge, LP (Steckman Ridge) a Compliance Order incorporating the following remedial requirements to ensure the compliance of Steckman Ridge with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to § 192.616(a), Steckman Ridge shall provide unique facility public awareness messages relative to the Steckman Ridge storage facility to the required stakeholders, as defined in Table 4 of its prior External Communication Plans effective during the timeframe of the violation, within 60 days of receipt of the Final Order.
2. Steckman Ridge shall provide PHMSA record of the distribution of the messages in Number 1 above within 90 days of receipt of the Final Order.
3. It is requested (not mandated) that Steckman Ridge maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Robert Burrough, Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.