U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

409 3rd Street, SW, Suite 300
Washington, DC 20024

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 29, 2008

Mr. E.J. Holm
President
Iroquois Pipeline Operating Company
One Corporate Drive, Suite 600
Shelton, CT 06484-6211

**CPF 1-1996-1002
(old CPF 16102)**

Dear Mr. Holm:

On May 21, 1996, the Office of Pipeline Safety (OPS), now under the Pipeline and Hazardous Materials Safety Administration (PHMSA), issued to Iroquois Pipeline Operating Company a Consent Order in the above-referenced case (copy of Consent Order enclosed). This Order included a number of corrective actions needed to resolve prior probable violations identified by OPS. Based on our review of the documentation you provided and confirmation of corrective actions in the Consent Order by PHMSA, the New York Public Service Commission (NY PSC) and the Connecticut Department of Public Utility Control (CT DPUC), it has been determined that you have complied with the terms and conditions of this Consent Order.

Accordingly, no further action is contemplated with respect to the matters involved in this case. Thank you for your cooperation in this matter.

Sincerely,

Mark Werdoff

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

Enclosure

Cc: NY PSC and CT DPUC

U.S. Department
of Transportation

**Research and
Special Programs
Administration**

400 Seventh Street, S.W.
Washington, D.C. 20590

MAY 21 1996

CERTIFIED MAIL- RETURN RECEIPT REQUESTED

Mr. Craig R. Frew
President
Iroquois Pipeline Operating Company
One Corporate Drive
Shelton, CT 06484

Re: CPF No. 16102

Dear Mr. Frew:

Enclosed is the Consent Order in the above-referenced case issued by the Associate Administrator, Office of Pipeline Safety. Your receipt of the enclosed document constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

Gwendolyn M. Hill

Gwendolyn M. Hill
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

cc: William H. Gute
Craig A. Benedict
Jeffrey A. Bruner
John Gawronski
Philip Sher

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590

MAY 21 1996

In the Matter of Iroquois Pipeline Operating Company, Respondent.	CPF No. 16102

CONSENT ORDER

Pursuant to 49 U.S.C. § 60117, representatives of the Office of Pipeline Safety (OPS), and of the New York Public Service Commission (NY PSC) and the Connecticut Department of Public Utility Control (CT DPUC), as agents for OPS, conducted on-site pipeline safety inspections of Respondent's facilities and records in New York and Connecticut. As a result of the inspections, OPS found probable violations of 49 C.F.R. §§ 192.303 and 192.319, and determined that certain actions are required. Respondent has waived its right to a formal written notice of these allegations, an informal hearing and other procedural rights under the pipeline safety laws (49 C.F.R. Part 190) and consented to the entry of this Consent Order.

The investigation led to the following probable violations:

1. 49 C.F.R. § 192.303 for failing to construct its pipeline in accordance with its own comprehensive written specifications.

   a. Section 192.303 requires that each transmission line must be constructed in accordance with comprehensive written specifications established by the operator. Iroquois has failed to follow the written construction specifications pertaining to the backfilling and padding operations as outlined in Article 13.3 and 13.2.5 of its specifications.

   b. To date, a total of 33 dig site inspections have been conducted. Large rocks in excess of 18 inches were found in the backfill material and padding material at the majority of the dig sites. Article 13.3 of Iroquois' construction specifications excludes use of rocks in excess of 18 inches in backfill in trenches at dig sites.

c. During the excavations, voids were found in the padding material at some sites, which indicates that proper probing and compaction of the padding material under the pipe was not achieved during construction as required by 49 C.F.R. § 192.319 and as specified in Iroquois Construction Specifications Article 13.2.5. As a result of insufficient support of the pipeline in these areas, coating damage due to rock contact resulted.

2. 49 C.F.R. § 192.319 for failing to backfill in a manner that minimizes damage to the coating.

a. Section 192.319 requires that a ditch for a transmission line must be backfilled in a manner that provides firm support under the pipe and prevents damage to the pipe and coating from the backfill material. During construction of the pipeline, Iroquois failed to perform backfilling operations in a manner which minimized damage to the coating by allowing rocks as large as 48 inches in diameter to be backfilled in the trench over the pipeline.

b. The OPS and NY PSC have documented 14 areas in which rocks were found in contact with the pipeline which resulted in damage to the pipe coating. Numerous areas were also documented showing large rocks within the padding material in contact with or inches from the pipeline.

By the attached Agreement, Respondent has agreed to the issuance of this Consent Order pursuant to 49 U.S.C. § 60101 et seq. and 49 C.F.R. § 190.219 and performance of corrective action with respect to its pipeline.

Accordingly, I hereby incorporate the terms of the Agreement and issue this Consent Order.

Failure to comply with the terms of this Order may result in the assessment of civil penalties of up to $25,000 per day or in referral of the case for judicial enforcement. The terms and conditions of this Order are effective upon receipt.

Richard B. Felder
Associate Administrator for
Pipeline Safety

Date Issued: May 17, 1996

MAY 21 1996

AGREEMENT BETWEEN THE OFFICE OF PIPELINE SAFETY
AND IROQUOIS PIPELINE OPERATING COMPANY IN
CPF NO. 16102

WHEREAS, the Research and Special Programs Administration's (RSPA) Office of Pipeline Safety (OPS) has been investigating allegations of safety violations on the Iroquois pipeline in New York, and portions of Connecticut with the assistance of the New York Public Service Commission (NY PSC), and the Connecticut Department of Public Utility Control (CT DPUC) since October, 1993;

WHEREAS, Iroquois is the operator of a gas transmission pipeline that originates on the Saint Lawrence Seaway, near Waddington, New York, traverses through upstate New York and through a portion of Connecticut, crosses the Long Island Sound, and finally terminates in Commack, New York (Iroquois line) which is subject to the pipeline safety laws at 49 U.S.C. § 60101 et seq.;

WHEREAS, OPS has found probable violations of 49 C.F.R. § 192.303 and 49 C.F.R. §192.319 and has determined that corrective action is needed; and

WHEREAS, Iroquois agrees to undertake corrective actions as described herein.

Therefore, to avoid litigation and to effect a final resolution of the probable violations found by OPS, Iroquois and OPS agree as follows:

1. Iroquois, as operator of the Iroquois line in New York and Connecticut is subject to the jurisdiction of 49 U.S.C. § 60101 et seq. and administrative orders issued pursuant thereto.

2. Iroquois agrees to the issuance of an administrative order (consent order) incorporating the terms of this Agreement and waives any further procedural requirements, including notice, with respect to its issuance and all rights to seek judicial review to contest its validity and enforceability.

3. Nothing in this Agreement bars RSPA from taking action to address any hazardous situation which may arise with respect to Iroquois' facilities.

4. Any actions required by the terms of this Agreement shall be in addition to other duties imposed by 49 U.S.C. Chapter 601, and the regulations promulgated thereunder. Compliance with the terms of this Agreement shall not excuse any future failure to comply with the other requirements under 49 U.S.C. Chapter 601 and the regulations promulgated thereunder.

5. Iroquois will implement the Integrity Monitoring and Maintenance Plan (Plan) that is incorporated into and made part of the Plea Agreement and Consent Decree between the United States and Respondent.

6. With respect to the Plan, Iroquois will submit all proposals and procedures requiring approval by OPS to the Regional Director, Eastern Region, OPS, within the time frames provided for in the Plan.

7. The adequacy of any internal inspection, close interval survey, repair, or other remedial action required by the Plan is subject to concurrence by the Regional Director.

8. Iroquois will provide the Regional Director analyses obtained following successful smart pig runs within 30 days of completion of the final processing and interpretation of the data.

9. Any decision of the Regional Director may be appealed to the Associate Administrator for Pipeline Safety.

10. The Eastern Region, OPS, the NY PSC and the CT DPUC will monitor compliance with this Final Order. Respondent shall provide 5 working days advance notice to the Eastern Region, OPS, NY PSC, and CT DPUC prior to beginning a test or excavation required under the Plan in order to allow sufficient time for them to arrange to observe.

11. The Regional Director may grant an extension of time upon receipt of a written request stating the reasons therefor, for completion of any of the actions required herein.

12. The effective date of this Agreement shall be the date upon which a consent order incorporating its terms is issued.

IT IS SO AGREED:

OFFICE OF PIPELINE SAFETY

Richard B. Felder

Date: May 17, 1996

Richard B. Felder
Associate Administrator for
Pipeline Safety

IROQUOIS PIPELINE OPERATING COMPANY

Date: 5/10/96

Craig R. Frew
President, Iroquois Pipeline Operating Company