

MAR 09 2007



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

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

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 8, 2007

Mr. Fulkra Mason
Vice President of Gas Transmission
Algonquin Gas Transmission Company
5400 Westheimer
Houston, TX 77056

CPF 1-2007-1001W

Dear Mr. Mason:

On November 14, 2006, representatives of the Connecticut Department of Public Utility Control (CT DPUC) and a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected the external corrosion monitoring records for certain locations in your Cromwell and Boston Divisions. The inspection took place in Algonquin Gas Transmission's (Algonquin) Cromwell, Connecticut office.

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 items inspected and the probable violations are:

1. **§192.465 External corrosion control.**

(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. . .

Algonquin failed to monitor its cathodic protection systems during calendar year 2005 at the following locations on its pipeline system:

- a. Brookfield , Connecticut interchange – 11 test points were not tested.
- b. Chaplin, Connecticut compressor station – 34 test points were not tested.
- c. Burrilville, Rhode Island compressor station – 25 test points were not tested.
- d. J Lateral in Massachusetts – 46 test points were not tested.

The probable violation is based upon Algonquin statements that the tests were not conducted as required for calendar year 2005. We understand that the required tests were performed in early 2006.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violations persists up to a maximum of \$1,000,000 for any 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 Algonquin 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 1-2007-1001W**. 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,



Mark Wendorff
Acting Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration