



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

### UPS OVERNIGHT DELIVERY

October 13, 2010

Mr. William Cope  
Vice President, Eastern Operations  
Tennessee Gas Pipeline  
569 Brookwood Village, Rm 766  
Birmingham, AL 35209

**CPF 1-2010-1007W**

Dear Mr. Cope:

Between September 15, 2008 and August 12, 2010, a State Inspector from the New York Public Service Commission (NY PSC), acting as Agent for the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected in Eden, NY, the conditions of your special permit issued by PHMSA to Tennessee Gas Pipeline (TGP) for the Niagara Spur Loop Line 230B-200 (Docket # PHMSA-2006-26618). This special permit was requested by TGP in order to maintain the operating pressure on this pipeline after a class change was noted.

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

1. **§192.605 Procedural manual for operations, maintenance, and emergencies**

**(a) General.** Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least one each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

TGP did not submit the required information to the Director, PHMSA Eastern Region, by the required date of June 10, 2008, per condition 15 of the special permit. Condition 15 pertains to submittal of an annual report including:

- a) The economic benefits of the special permit to TGP
- b) How the public benefits from energy availability
- c) The number of new residences, other structures intended for human occupancy and public gathering areas built within the special permit inspection area,
- d) Any new integrity threats identified during the previous year, and the results of any ILL or direct assessments performed during the previous year in the special permit inspection area
- e) Any reportable incident, any leak normally indicated on the DOT Annual Report and all repairs on the pipeline that occurred during the previous year in the special permit inspection area
- f) Any on-going damage prevention initiatives affecting the special permit inspection area and a discussion of the success of the initiatives
- g) Any mergers, acquisitions, transfer of assets, or other events affecting the regulatory responsibility of the company operating the pipeline

The information was received by TGP letter dated June 16, 2008, six days late.

2. **§192.605 Procedural manual for operations, maintenance, and emergencies**

**(a) General.** Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least one each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

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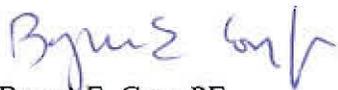
TGP failed to submit the required information to the Director, PHMSA Eastern Region, by the required date of March 10, 2010, per condition 7 of the special permit. Condition 7 pertains to submittal of the DCVG, CIS and SCCDA findings including remediation actions in a written report to the Director, PHMSA Eastern Region, not later than 2 years after the grant of this special permit. TGP acknowledged same in their letter to the Director, PHMSA Eastern Region, dated August 23, 2010, signed by Mr. Patrick F. Carey, P.E., Director, D.O.T. Compliance Services.

Although the letter submitted on August 23, 2010, addressed all the requirements of the special permit, TGP did not meet the filing deadline. The filing was about 165 days late.

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 violation 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 Tennessee Gas Pipeline 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 1-2010-1007W**. 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,



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

Cc: NY PSC