



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

November 13, 2013

Mr. Thomas Meissner, SVP & COO
Granite State Gas Transmission, Inc.
6 Liberty Lane
Hampton, NH 03842

CPF 1-2013-1023W

Dear Mr. Meissner:

From August 9 to August 11, 2011, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code inspected Granite State Transmission, Inc.'s (Granite State) Public Awareness Program titled *Regional Public Awareness and Education Program for Gas Distribution and Transmission Pipelines, Revision B, April 2011 (Public Awareness and Education Program)*, in Hampton, New Hampshire.

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. §192.616 Public awareness.

(a) ...

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

Granite State failed to follow the general program recommendation, including baseline and supplement requirements in Section 2.8 of API RP 1162 because it did not mail a baseline message to excavators in 2010.

Pursuant to Table 2-2 in Section 2.8 of API RP 1162, an operator should communicate a baseline message to excavators on an annual basis.

Granite State has a portion of its pipeline in Essex County, Massachusetts. Granite State has records of mailing a baseline message to excavator in that county in 2008 and 2009 but not in 2010. Granite State was unable to produce records that demonstrated it communicated a baseline message to excavator in 2010.

2. §192.616 Public awareness.**(a) ...****(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.**

Granite State failed to follow the general program recommendations, including baseline and supplemental requirements in Section 4.3.1 of API RP 1162.

Section 4.3.1 of API RP 1162 states that “[i]nformation about specific release characteristics and potential hazards posed by hazardous liquids or gases should be included” in the message content to stakeholders.

Granite State mailed a brochure to the affected public in 2010 and 2011. Neither brochure contained information about the potential hazards of products transported in Granite State’s facilities. Granite State could not provide any record that showed that the information was provided to the affected public.

3. §192.616 Public awareness.**(a) ...****(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.**

Granite State failed to follow the general program recommendations, including baseline and supplemental requirements under Section 4.7 of API RP 1162. Specifically, Granite State did not provide information about whether it has High Consequence Areas (HCAs) and/or an Integrity Management Program (IMP) to the affected public and emergency officials.

Section 4.7 of API RP 1162 describes the information that should be included in the message content to affected public and emergency officials within HCAs. Pursuant to Section 4.7.1 of API RP 1162 operators should include general information that some segments along their transmission pipeline are designated as HCAs and that an IMP has been developed, to affected public. Also, operators should include information on where to obtain an overview of their IMP or view upon request. Granite State mailed a brochure to the affected public in 2010 and 2011. Neither brochure contained information about Granite State’s IMP. Granite State could not provide any record that showed that the information was provided to the affected public.

In addition, Section 4.7.2 of API RP 1162 requires operators to include an overview of the IMP to emergency officials as well as a chance for them to provide feedback on the IMP. Granite State mailed a brochure to emergency responder in 2010 and 2011. Neither brochure contained information about Granite State’s IMP and how to provide feedback. In addition, the annual meeting invitation package sent to the emergency officials did not contain that information. Granite State could not provide any record that showed it provided information mentioned in Section 4.7.2 of API RP 1162.

4. §192.616 Public awareness.**(a) ...****(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.**

Granite State failed to follow the general recommendation, including baseline and supplemental requirements in Section 8.4.2 of API RP 1162.

Section 8.4.2 of API RP 1162, states that “[a]n effective method for assessing understandability is to survey the target stakeholder audience. . . . (emphasis added)” If an operator chose to “participate in and use the results of an industry group or trade-association survey” then “the industry or trade-association survey should allow the operator to assess the results relevant to the operator’s own pipeline corridors and Public Awareness Programs (emphasis added).”

Granite State chose the survey method. Granite State also chose to participate in and use the results of trade-association surveys. These surveys included results for those residing in town served by Unitil¹ and/or town through which the Granite State pipeline passes. In addition the survey results also include results from those not served by Unitil or within the Granite State public awareness notification area. However, Granite State could not demonstrate that a survey was targeted to its stakeholder audience as prescribed in Section 8.4.2 of API RP 1162.

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 Granite State 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 1-2013-1023W**. Please send all correspondence in this matter to Byron Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628. 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 Coy, PE
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

CC: NH PUC – Mr. Randy Knepper

¹ Granite State is one of the assets that Unitil owns.