

February 05, 2016

Mr. Robert C. Skaggs, Jr., CEO
Columbia Gas Transmission, LLC
Columbia Pipeline Group
5151 San Felipe, Suite 2500
Houston, Texas 77056

Re: CPF No. 1-2015-1006

Dear Mr. Skaggs:

Enclosed please find the Final Order issued in the above-referenced case to your subsidiary, Columbia Gas Transmission, LLC. It makes a finding of violation and specifies actions that need to be taken by Columbia Gas Transmission, LLC to comply with the pipeline safety regulations. When the terms of the compliance order have been completed, as determined by the Director, Eastern Region, this enforcement action will be closed. Service of the Final Order by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. Byron Coy, P.E., Director, Eastern Region, PHMSA OPS
Mr. Perry M. Hoffman, Manager – System Integrity, Columbia Gas Transmission, LLC
1700 MacCorkle Ave., SE, Charleston, West Virginia 25314
Mr. Ken Oostman, VP of Engineering, Columbia Gas Transmission, LLC
5151 San Felipe, Suite 2500, Houston, Texas 77056

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

_____)	
In the Matter of)	
)	
Columbia Gas Transmission, LLC)	CPF No. 1-2015-1006
a subsidiary of Columbia Pipeline Group,)	
)	
Respondent.)	
_____)	

FINAL ORDER

Between December 12, 2012, and October 14, 2013, pursuant to 49 U.S.C. § 60117, representatives of the New York Department of Public Service (NYDPS), acting as agent for the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of Columbia Gas Transmission, LLC’s (CGTC or Respondent) Minisink Compressor Station in Minisink, New York. Millennium Pipeline Company (Millennium) constructed and currently owns the Minisink Compressor Station facilities and associated piping. The facilities were placed into service and CGTC assumed operation of them on June 1, 2013. CGTC transports an average of three billion cubic feet of natural gas per day through an approximately 12,000-mile pipeline network and 92 compressor stations in 10 states.¹

As a result of the inspection, on April 7, 2015, the Director, Eastern Region, OPS (Director), issued a Notice of Probable Violation and Proposed Compliance Order (Notice) to CGTC. In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. § 192.503 and ordering Respondent to take certain measures to correct the alleged violation.

CGTC replied to the Notice by letter dated May 26, 2015 (Response). Respondent did not contest the allegation of violation or proposed compliance order, but did provide additional information regarding actions it had to take in response to the Notice. Respondent did not request a hearing and therefore has waived its right to one.

¹ See *Our Companies – Columbia Gas Transmission*, Columbia Pipeline Group, <https://www.cpg.com/about-us/our-companies#columbiagastransmission> (last visited November 30, 2015).

FINDING OF VIOLATION

In its Response, CGTC did not contest the allegation in the Notice that it violated 49 C.F.R. Part 192, as follows:

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 192.503(a)(1), which states:

§ 192.503 General requirements.

(a) No persons may operate a new segment of pipeline, or return to service a segment of pipeline that has been relocated or replaced, until—

(1) It has been tested in accordance with this subpart and § 192.619 to substantiate the maximum allowable operating pressure; and

(2) Each potentially hazardous leak has been located and eliminated.

The Notice alleged that Respondent violated 49 C.F.R. § 192.503(a)(1) by failing to test a new segment of pipeline prior to placing it into operation. Specifically, the Notice alleged that CGTC failed to test a new segment of pipeline in accordance with Part 192, subpart J (Test Requirements) and 49 C.F.R. § 192.619 to substantiate the maximum allowable operating pressure prior to placing the Minisink Compressor Station and associated pipeline facilities into operation on June 1, 2013.²

From December 12, 2012, through October 13, 2013, NYDPS performed record and field inspections of the Minisink Compressor Station and associated pipeline facilities. A review of the records revealed approximately 844 welds made in the shop and 59 welds made in the field. According to Millennium, the welds were hydrostatically tested in the shop at the manufacture site; however, the welds were not hydrostatically tested after the completion of the field construction, as Millennium did not want to risk intrusion of residual water into its compressors.

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all the evidence, I find that Respondent violated 49 C.F.R. § 192.503(a)(1) by failing to test a new segment of pipeline in accordance with Part 192, subpart J (Test Requirements) and 49 C.F.R. § 192.619. This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 1 in the Notice for violations of 49 C.F.R. § 192.503(a)(1). Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. Pursuant to the authority of 49 U.S.C.

² See 49 C.F.R. §§ 192.503(a)(1).

§ 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations:

1. With respect to the violation of 49 C.F.R. § 192.503(a)(1) (**Item 1**), Respondent must: (1) reevaluate the installed Minisink Compressor Station and related piping to determine what further piping will need to be tested in accordance with § 192.503(a)(1); and (2) perform needed testing in accordance with § 192.503(a)(1).
2. Respondent will have 60 days within receipt of this Final Order to provide a tally or detailed drawings that identify what piping in 1 of the Compliance Order (above) will be tested, and CGTC will have 210 days within receipt of the Final Order to complete testing in 1 of the Compliance Order (above).
3. It is requested (not mandated) that Respondent maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Mr. Byron Coy, 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.

The Director may grant an extension of time to comply with any of the required items set forth about upon a written request timely submitted by the Respondent and demonstrating good cause for an extension.

Failure to comply with this Order may result in the administrative assessment of civil penalties not to exceed \$200,000 for each violation for each day the violation continues or in referral to the Attorney General for appropriate relief in a district court of the United States.

Under 49 C.F.R. § 190.243, Respondent has a right to submit a Petition for Reconsideration of this Final Order. The petition must be sent to: Associate Administrator, Office of Pipeline Safety, PHMSA, 1200 New Jersey Avenue, SE, East Building, 2nd Floor, Washington, DC 20590, with a copy sent to the Office of Chief Counsel, PHMSA, at the same address. PHMSA will accept petitions received no later than 20 days after receipt of service of this Final Order by the Respondent, provided they contain a brief statement of the issue(s) and meet all other requirements of 49 C.F.R. § 190.243. Unless the Associate Administrator, upon request, grants a stay, the terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Date Issued