



U.S. Department
Of Transportation
**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.989.2171

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED COMPLIANCE ORDER**

OVERNIGHT EXPRESS DELIVERY

April 7, 2015

Ken Oostman, VP Engineering
Columbia Gas Transmission
5151 San Felipe, No. 2500
Houston, TX, 77056

CPF 1-2015-1006

Dear Mr. Oostman:

Between December 12, 2012 and October 14, 2013, representatives of the New York State Department of Public Service (NYDPS), acting as agents for the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code, inspected Columbia Gas Transmission (CGT) Minisink Compressor Station construction and as-built facility related documentation, in Minisink, New York.

Millennium Pipeline Company constructed and currently owns the Minisink Compressor Station facilities and associated piping. The facilities were placed into service on June 1, 2013. CGT assumed operations of those pipeline facilities on June 1, 2013.

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 violation is:

- 1. §192.503 General Requirements**
 - (a) No person 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**

CGT failed to test a new segment of pipeline in accordance with this subpart and §192.619 to substantiate the maximum allowable operating pressure prior to putting the Minisink Compressor Station and associated pipeline facilities into operation on June 1, 2013.

From 12/12/2012 through 10/14/2013, the NYSDPS performed record and field inspections of the new compressor station in Minisink, NY. The project included approximately 1,500 feet of large diameter (24, 30 and 36 inch diameter) piping that operates at greater than 30 percent of SMYS.

1. The records review identified approximately 844 welds made in the shop and 59 welds made in the field.
2. Millennium hydrostatically tested the piping at the manufacturer.
3. The pipe lengths were then cut apart and transported to the field
4. The pipe was joined by field welds at the site of the new compressor station
5. A total of 59 welds were made in the field on the large diameter piping. None of the welds were strength tested.

NYSDPS asked Millennium if any of the field welds were included in the hydrostatic test that was performed at the manufacturer's shop. Millennium stated that field welds were 100% radiographed but they were not hydrostatically tested after the completion of field construction because Millennium did not want to risk the intrusion of residual water into its compressors.

PHMSA reviewed the following interpretation:

1. Interpretation: PI-94-024 Date: 06-07-1994 states that "In accordance with §192.503(a) in Subpart J, the entire replaced segment must be tested in accordance with Subpart J and §192.619, except the tie-in joints that are excepted under §192.503(d). It should be noted that the joints connecting the several pipe lengths are not tie-in joints. . ."
2. The line piping in question with the Minisink Compressor station fits the "joints connecting several pipe lengths are not tie-in joints" discussion in the interpretation above, and therefore they require a pressure test after several pipe lengths were welded together.

For short sections of pipe, §192.505(e) provides an exception for conducting a post installation strength test if the test is considered impractical. PHMSA does not believe that the large diameter piping installed during the Minisink Compressor Station construction meets the "impractical" exemption allowed by §192.505(e).

Therefore, CGT failed to test a new segment of pipeline in accordance with this subpart and §192.619 to substantiate the maximum allowable operating pressure prior to putting the Minisink Compressor Station and related pipeline facilities into operation on June 1, 2013.

Evidence is based on Minisink Compressor Station information, including as-built piping facility drawings, pressure test records, and CGT correspondence collected by NYSDPS during the inspection. A PHMSA interpretation is also part of the evidence.

Proposed Compliance Order

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 propose a civil penalty assessment at this time.

With respect to item 1 pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to CGT. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

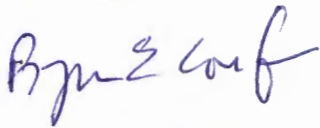
Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. 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). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

Please submit all correspondence in this matter to Byron Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628. Please refer to **CPF 1-2015-1006** on each document you submit and please, whenever possible, provide a signed PDF copy in electronic format. Smaller files may be emailed to Byron.Coy@dot.gov. Larger files should be sent on a CD accompanied by the original paper copy to the Eastern Region Office.

Additionally, if you choose to respond to this (or any other case), please ensure that any response letter pertains solely to one CPF case number.

Sincerely,



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

Cc: Mr. Kevin Speicher, NYSDPS

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Compliance Proceedings

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Columbia Gas Transmission Corporation (CGT), a Compliance Order incorporating the following remedial requirements to ensure the compliance of CGT with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice, pertaining to CGT's failure to test a new segment of pipeline in accordance with §192.619 to substantiate the maximum allowable operating pressure prior to putting the line into operation on June 1, 2013, CGT must reevaluate the installed Minisink Compressor Station and related piping to determine: (1) what further piping will need to be tested in accordance with §192.503, and, (2) perform needed testing in accordance with §192.503.
2. CGT will have 60 days within receipt of the Final Order to provide a tally or detailed drawings that identify what piping in #1 of the PCO (above) will be tested, and CGT will have 210 days within receipt of the Final Order to complete testing in #1 of the PCO (above).
3. It is requested (not mandated) that CGT maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Byron Coy, PE, 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.