NOTICE OF PROBABLE VIOLATION

and

PROPOSED COMPLIANCE ORDER

OVERNIGHT EXPRESS DELIVERY

August 06, 2015

Robert Cooper
Vice President of Engineering
EQT Midstream
625 Liberty Avenue
Pittsburgh, PA 15222

CPF 1-2015-1018

Dear Mr. Cooper:

On July 17, 2014, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected EQT Midstream’s (EQT) Wall Compressor Station in Elizabeth, PA.

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(s) are:

1. §192.163 Compressor stations: Design and construction.

   ... (d) Fenced areas. Each fence around a compressor station must have at least two gates located so as to provide a convenient opportunity for escape to a place of safety, or have other facilities affording a similarly convenient exit from the area. Each gate located within 200 feet (61 meters) of any compressor plant building must open outward and, when occupied, must be openable from the inside without a key.

   ...
EQT failed to provide at least two gates located so as to provide a convenient opportunity for escape to a place of safety.

During a field visit to Wall Compressor Station, inspection unit 83203, the PHMSA inspector observed the following:

1. The compressor station had:
   a. One escape gate on the west side.
   b. One escape gate on the south side.
   c. One locked vehicle gate on the west side.
   d. One locked vehicle gate on the east side.
2. The north side of the compressor station had no gates.

The south side escape gate opened out onto a narrow landing, approximately four feet wide. The pathway outside of the gate was heavily overgrown on all sides and was bordered by a steep decline into a creek. Thus, it did not provide a convenient opportunity for escape to a place of safety as required by §192.163(d).

The PHMSA inspector discussed the south side escape gate with the Wall Compressor Station site manager and EQT compliance personnel prior to leaving the site. The site manager requested that PHMSA bring this matter up to the Operator at the end of the inspection in order to help provide justification for them to request funds to install an additional gate. The Wall Compressor Station escape gate was briefly discussed during the final exit interview attended by the PHMSA inspector and EQT compliance personnel.

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 EQT Midstream. 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.

In your correspondence on this matter, please refer to CPF 1-2015-1018, and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

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 EQT Midstream (EQT) a Compliance Order incorporating the following remedial requirements to ensure the compliance of EQT with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to EQT failing to provide at least two gates at the Wall Compressor Station in Elizabeth, PA located so as to provide a convenient opportunity for escape to a place of safety, EQT must provide at least two gates that will provide a convenient opportunity for escape to a place of safety.

2. EQT must complete and provide documentation that supports compliance with the action stipulated in the above item within 120 days after receipt of a Final Order.

3. It is requested (not mandated) that EQT 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.