



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 AMENDMENT

OVERNIGHT EXPRESS DELIVERY

July 2, 2015

Marie E. Jordan
Senior Vice President
Niagara Mohawk Power Corp
40 Sylvan Road
Waltham, MA 02451

CPF 1-2015-3002M

Dear Ms. Jordan,

From October 20 through 24, 2014, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected the Niagara Mohawk Power Corp's Liquefied Natural Gas (LNG) Facility operation and maintenance procedures in Providence, Rhode Island.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Niagara's plans or procedures, as described below:

1. **§193.2017 Plans and procedures.**
 - (a) **Each operator shall maintain at each LNG plant the plans and procedures required for that plant by this part. The plans and procedures must be available upon request for review and inspection by the Administrator or any State Agency that has submitted a current certification or agreement with respect to the plant under the pipeline safety laws (49 U.S.C. 60101 et seq.). In addition, each change to the plans or procedures must be available at the LNG plant for review and inspection within 20 days after the change is made.**

Niagara's procedures are inadequate in that they fail to address the requirements for creating and submitting supplemental reports as prescribed in §191.15(c) and required by 193.2011.

During the inspection, the PHMSA inspector reviewed Niagara's procedure, G32-R2 "General Policies – Notifications to Regulatory Agencies", revised 4/2014. The procedure does not address the creation or submission of supplemental reports.

2. **§193.2605 Maintenance procedures.**
 - (b) **Each operator shall follow one or more manuals of written procedures for the maintenance of each component, including any required corrosion control. The procedure must include:**
 - (1) **The details of the inspections or tests determined under paragraph (a) of this section and their frequency of performance; and . . .**

Niagara's Corrosion Control procedures are inadequate in that they fail to define what experience and training is necessary to qualify a person in corrosion control technology as per §193.2707(c).

During the inspection, the PHMSA inspector reviewed Niagara's Corrosion Control Policy revised 4/2014. The PHMSA inspector noted that there was no specific mention of requirements for qualifying the person or people responsible for corrosion control. The inadequacy was discussed at the exit interview and Niagara agreed that this information was not in the procedure.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. 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.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within **60** days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that Niagara maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Byron Coy, Director, Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628. In correspondence concerning this matter, please refer to **CPF 1-2015-3002M** and, for each document you submit, please provide a copy in electronic format whenever possible. Smaller files may be emailed to Byron.Coy@dot.gov. Larger files should be sent on a CD accompanied by the original (signed) paper copy to the Eastern Region Office.

Sincerely,



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

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*