

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

OVERNIGHT EXPRESS DELIVERY

February 10, 2016

Mr. Gary Buchler
Vice President, Operations and Engineering
Tennessee Gas Pipeline Company, LLC
1001 Louisiana Street
Houston, TX 77002

CPF 1-2016-1003

Dear Mr. Buchler:

From July 20-24, 2015, inspectors from the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), and the Connecticut Department of Energy, and Environmental Protection (CT DEEP) acting as Agent for PHMSA OPS, pursuant to Chapter 601 of 49 United States Code, inspected the Tennessee Gas Pipeline Company's (TGP) procedures and records in Houston, Texas.

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 item inspected and the probable violation is:

1. §192.921 How is the baseline assessment to be conducted?

(d) Time period. An operator must prioritize all the covered segments for assessment in accordance with § 192.917 and paragraph (b) of this section. An operator must assess at least 50% of the covered segments beginning with the highest risk segments, by December 17, 2007. An operator must complete the baseline assessment of all covered segments by December 17, 2012.

TGP failed to perform a baseline assessment of all covered segments by December 17, 2012.

TGP has a 10-inch interconnect pipe with another operator’s pipeline at 749 Meriden Waterbury Turnpike, Rt. 322 Southington, CT. There is approximately 10 feet of pipe from the tee at the transmission line up through the 90-degree elbow and isolation valve to the interconnect point (348B-101.1 Southington Algonquin Interconnect). TGP designated the area an HCA.

During the HQ Audit in Houston, TX, conducted from July 20-24, 2015, the CT DEEP asked TGP to provide the latest integrity assessment records for the interconnect referenced above. TGP did not have any integrity assessment records. In an email dated August 11, 2015, TGP stated in part that:

“We have not performed an assessment on the below grade portion of the interconnect to date (approximately 4 ½ feet of buried pipe). We are scheduling a direct assessment to be performed this year (2015), and I will provide you the date of this assessment once known.”

Neither a baseline assessment, nor any integrity assessments had been performed on the buried section of the 10-inch interconnect piping.

Evidence is based on the statements of TGP representatives, including an e-mail reply to a CT DEEP inspector follow-up question about the baseline assessment.

Proposed Civil Penalty

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. The Compliance Officer has reviewed the circumstances and supporting documentation involved in the above probable violation(s), and has recommended that you be preliminarily assessed a civil penalty of \$11,500 as follows:

<u>Item number</u>	<u>PENALTY</u>
1	\$11,500

Proposed Compliance Order

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 TGP. 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. All material you submit in response to this enforcement action may be 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). Not responding within 30 days of receipt of this Notice 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 1-2016-1003** on each document you submit, and please, whenever possible, provide a signed PDF copy in electronic format. Smaller files may be e-mailed 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: Karl Baker CT DEEP

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 Tennessee Gas Pipeline Company, LLC

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

1. In regard to Item Number 1 of the Notice pertaining to TGP's failure to perform a baseline assessment of all covered segments by December 17, 2012, TGP must conduct a review of all TGP's piping within 100 miles of Southington, CT to determine if any other sections of HCA pipe are lacking a baseline assessment. This analysis must be completed within 90 days receipt of the Final Order.
2. If any HCA pipe lacking a baseline assessment is identified in #1 above, then TGP must perform a baseline assessment, along with any needed remediation, within 240 days receipt of the Final Order.
3. TGP shall submit documentation of the review, results, and any remediation performed in PCO items 1 and 2 above, to the PHMSA Eastern Region Director within 365 days receipt of the Final Order.
4. It is requested (not mandated) that TGP 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.