

WARNING LETTER

OVERNIGHT EXPRESS DELIVERY

November 22, 2016

Anthony Marone
Senior Vice President, Gas Operations
AVANGRID Networks
180 Marsh Hill Rd.
Orange, CT 06477

CPF 1-2016-3003W

Dear Mr. Marone:

Between February 22-26, 2016, inspectors from the Connecticut Department of Energy and Environmental Protection (CT DEEP), acting as agents for the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Total Peaking Services's (TPS) procedures, records, and LNG plant facilities in Milford, CT.

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. §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.

TPS failed to maintain at each LNG plant the plans and procedures required for that plant by this part. Specifically, the control box for the internal LNG tank shutoff valve was relocated on January 29, 2013, but the change to the LNG plant plans and procedures was not made within 20 days after the relocation.

During the inspection, the CT DEEP reviewed TPS records from 2013 through 2015. Preventative Maintenance Work Order (WO) P102490 dated 5/1/2014 was generated to conduct a test on the internal valve system. The WO identified the location of the valve as

between CP30 building and the Expander Compressors. The location was crossed out and a handwritten note stating “control box repiped and moved to the LNG pump house. reduce (sp) work order” was included in the corrective action section of the WO. The corrective action was reviewed by TPS personnel and signed off on 5/12/2014 and 5/13/2014.

On 5/1/2015, TPS generated WO P103266 to conduct a test of the same valve that was tested in 2014. The WO generated in 2015 did not include the location comments that were noted on the WO completed in 2014.

Thus, TPS failed to make each change to the plans or procedures available for review and inspection within 20 days after the change was made.

2. §193.2639 Maintenance records.

(a) Each operator shall keep a record at each LNG plant of the date and type of each maintenance activity performed on each component to meet the requirements of this part. For each LNG facility that is designed and constructed after March 31, 2000, the operator shall also maintain related periodic inspection and testing records that NFPA-59A-2001 (incorporated by reference, see §193.2013) requires. Maintenance records, whether required by this part or NFPA-59A-2001, must be kept for a period of not less than five years.

TPS failed to keep an accurate record of the date and type of each maintenance activity performed on each component to meet the requirements of this part.

TPS utilizes a 500kW backup generator to supply auxiliary power to the plant in the event of an emergency. TPS conducted an operational test of the generator on April 9, 2015 and recorded the results of the test on WO P103170.

1. The corrective action section of the record indicated “ran emergency all in good working order.”
2. The operational test section of the record indicated "0" output voltage on two of the three phases of the output. The record also indicated "0" oil pressure, “0” water temperature, and inconsistent frequency among the three outputs.

The “0” readings are inconsistent with the corrective action section of the record. The record was signed by the TPS person that completed the work, as well as the TPS supervisor, with no explanation of the apparent inconsistencies.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$205,638 per violation per day the violation persists up to a maximum of \$2,056,380 for a related series of violations. For violation occurring between January 4, 2012 to August 1, 2016, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$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. Also, for LNG facilities, an additional penalty of not more than \$50,000 for each violation may be imposed. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item(s) identified in this letter. Failure to do so will result in Total Peaking Services being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, please address your correspondence to: Byron Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628 and please refer to **CPF 1-2016-3003W**. 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).

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