U.S. Department
of Transportation

**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.771.7800

NOTICE OF AMENDMENT

OVERNIGHT EXPRESS DELIVERY

June 6, 2017

Mr. Stanley Chapman III
President, US Gas Pipelines
TransCanada
700 Louisiana, Suite 700
Houston, TX 77002

CPF 1-2017-1014M

Dear Mr. Chapman:

From September 27 to September 29, 2016, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Portland Natural Gas Transmission System's (Portland) Control Room Management Procedures in Calgary, Alberta, Canada.

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

1. §192.631 Control Room Management

(a) General

(1) This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section, except that for each control room where an operator's activities are limited to either or both of:

...

Portland's Control Room Management Procedure, *Gas Control Shift Change Procedure*, Revision 5.0, dated 8/12/2016 (Procedure), is inadequate in that it does not require qualified controllers to monitor the SCADA system in accordance with §192.631(b)(4).

§192.631(b)(4) states:

"(b) Roles and responsibilities. Each operator must define the roles and responsibilities of a controller during normal, abnormal, and emergency operating conditions. To provide for a controller's prompt and appropriate response to operating conditions, an operator must define each of the following:

...

(4) A method of recording controller shift-changes and any hand-over of responsibility between controllers."

During the inspection, the PHMSA inspector reviewed Portland's Procedure for Gas Control Shift Change. Section 5.0 *Shift Change Procedure,* Subsection *Full Shift Change* states in part "... Under this condition, an unqualified Controller shall not assume operational responsibility unless they are working under the guidance of a qualified Controller."

Subsection *Impromptu Shift Change*, states in part "...An unqualified backup Controller shall monitor the system but not invoke or modify controls without the consent of the on-duty controller".

Thus, the Portland procedures allow an unqualified controller to monitor, but not operate, a console if the console is unmanned. Since monitoring the SCADA system is a component of the controller's responsibility, it may not be performed by a non-qualified controller unless s/he is under the guidance of a qualified controller.

2. §192.631 Control Room Management

(a) General

(1) This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section, except that for each control room where an operator's activities are limited to either or both of:

...

Portland's Control Room Management Procedures are inadequate in that they fail to provide guidance for incorporating lessons learned from the operator's experience, other than reportable accidents/incidents, into the training program, in accordance with 192.631(g)(2).

§192.631(g)(2) states:

"(g) *Operating experience.* Each operator must assure that lessons learned from its operating experience are incorporated, as appropriate, into its control room management procedures by performing each of the following:

(2) Include lessons learned from the operator's experience in the training program required by this section."

During the inspection, the PHMSA inspector reviewed the following documents identified by

Portland as pertinent to the requirements of §192.631(g)(2):

1. *Gas Control Emergency Preparedness Plan*, Revision 11, dated 7/18/2016, Table Step 4.2;
2. *Gas Control Process Manual*, Revision 19, dated 7/14/2016, Sec. 8; and
3. *O&M Manual for Sec. 192.631*, Revision 12, dated 12/15/2015, Item 15

The O&M Manual for 192.631 Item 15 states:

"For any Incident as defined in O&M Procedure 191.05 a review is performed in accordance with O&M Procedures 192.615 or 192.617 to determine if control room actions contributed to the event.

a. If it is determined that control room actions contributed to the event, steps are taken to correct deficiencies related to the controller's actions in Control Room Management Procedures.

b. Lessons learned from an incident review are incorporated into the Control Room training program."

None of these procedures include provisions to incorporate lessons learned into the control room training program from operator experience other than reportable incidents/accidents. Other relevant experiences where lessons learned could be drawn from and implemented into the training program include events such as:

1. Non-Reportable Events including small leaks
2. Audit Findings
3. Near Miss Events
4. Any Other source of Operator experience.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under §190.211. 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 an Order Directing Amendment. If 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. § 190.206). 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 Portland maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Robert Burrough, Acting Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, West Trenton, NJ 08628. Please refer to **CPF 1- 2017-1014M** on each document you submit, and whenever possible provide a signed PDF copy in electronic format. Smaller files may be emailed to robert.burrough@dot.gov. Larger files should be sent on a CD accompanied by the original paper copy to the Eastern Region Office.

Sincerely,

Robert Burrough
Acting Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

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