

WARNING LETTER

OVERNIGHT EXPRESS DELIVERY

May 7, 2018

Thomas Meissner
Senior Vice President
Granite State Gas Transmission Inc.
325 West Road
Portsmouth, NH 03801

CPF 1-2018-1010W

Dear Mr. Meissner:

From June 26-30, 2017, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Granite State Gas Transmission Inc.'s (Granite) pipeline system in Maine, New Hampshire and Massachusetts.

As a result of the inspection, it is alleged that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violation(s) are:

1. § 192.605 Procedural manual for operations, maintenance, and emergencies.

- (a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response...**

Granite failed to follow its manual of written procedures for leakage survey. Specifically, Granite failed to follow its *220.001.005 Leakage inspection – Instrumented*, Version 6, Section 2.3.1, dated December 2015 (Procedure), by failing to document the gas detection equipment utilized during its leakage surveys.

Granite's Procedure stated in Section 2.3.1:

Record the leak detector equipment number (Required).

During the inspection, the PHMSA inspector reviewed Granite's records of instrumented leakage surveys performed during 2015. The work order records from Granite's Compliancy Management System failed to contain documentation of the leak detector equipment number. Granite supplied Leak Survey Calibration Sheets that demonstrated that leak detection equipment was being calibrated, but could not demonstrate that this calibrated equipment was what was utilized during its leakage surveys.

Therefore, Granite failed to follow its written procedures regarding documentation of instrumental leakage surveys.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$209,002 per violation per day the violation persists, up to a maximum of \$2,090,022 for a related series of violations. For violations occurring prior to November 2, 2015, 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. 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 identified in this letter. Failure to do so will result in Granite being subject to additional enforcement action.

Please 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).

No reply to this letter is required. If you choose to reply, please submit all correspondence in this matter to Robert Burrough, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, West Trenton, NJ 08628. Please refer to **CPF 1-2018-1010W** 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
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration