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

August 22, 2018

Mr. Gregg West
Vice President, Midstream Operations
EQT Midstream
2200 Energy Drive
Canonsburg, PA 15317

CPF 1-2018-1019M

Dear Mr. West:

From April 16–20, 2018, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected the EQT Midstream (EQT) procedures for the operation of the Gamble-Hayden Natural Gas Storage Facilities. The specific purpose of the inspection was to evaluate the compliance with 49 CFR § 192.12 and associated references in § 192.7. The inspection was conducted at the EQT Offices in Jefferson Hills, Pennsylvania and at the Gamble-Hayden storage facility in Allegheny County, Pennsylvania.

Based on the results of the inspection, PHMSA has identified the apparent inadequacies found within the EQT Underground Natural Gas Storage (UNGS) procedures, as described below:

1. **§ 192.12 Underground natural gas storage facilities.**

   (e) Operators of underground gas storage facilities must establish and follow written procedures for operations, maintenance, and emergencies implementing the requirements of API RP 1170 and API RP 1171, as required under this section, including the effective dates as applicable, and incorporate such procedures into their written procedures for operations, maintenance, and emergencies established pursuant to § 192.605.

EQT's written procedures for operations, maintenance and emergencies implementing the requirements of API RP 1170 and API RP 1171 were inadequate. Specifically, EQT did not establish a written Blowout Contingency Plan (BCP), as directed by API RP 1171, Section 10.6.3, covering the wells in the Gamble-Hayden storage facility.

The BCP was phased out of the Emergency Response Plan (ERP) even though it was still referenced in the ERP. The BCP is not included in the Emergency Table-Top Exercise program.

2. **§ 192.12 Underground natural gas storage facilities.**

   (e) Operators of underground gas storage facilities must establish and follow written procedures for operations, maintenance, and emergencies implementing the requirements of API RP 1170 and API RP 1171, as required under this section, including the effective dates as applicable, and incorporate such procedures into their written procedures for operations, maintenance, and emergencies established pursuant to § 192.605.

EQT's written procedures for operations, maintenance and emergencies implementing the requirements of API RP 1170 and API RP 1171 were inadequate. Specifically, EQT's written procedures did not provide details on how to determine operator familiarity with UNGS emergency plans, procedures and periodic testing of the effectiveness of the plan, as directed by API RP 1171, Section 11.4.2.

3. **§ 192.12 Underground natural gas storage facilities.**

   (e) Operators of underground gas storage facilities must establish and follow written procedures for operations, maintenance, and emergencies implementing the requirements of API RP 1170 and API RP 1171, as required under this section, including the effective dates as applicable, and incorporate such procedures into their written procedures for operations, maintenance, and emergencies established pursuant to § 192.605.

EQT's written procedures for operations, maintenance and emergencies implementing the requirements of API RP 1170 and API RP 1171 were inadequate. Specifically, EQT's written procedures did not incorporate safety and environmental programs, as directed by API RP 1171, Section 11.9.1.

EQT's environmental engineer evaluated new construction, but EQT was unable to show where Health, Safety, and Environment (HSE) programs were included in UNGS procedures.

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 EQT Corporation Company, EQT Midstream 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, Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 1-2018-1019M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

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