U.S. Department
of Transportation

**Pipeline and
Hazardous Materials
Safety Administration**

840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628
609.771.7800

WARNING LETTER

OVERNIGHT EXPRESS DELIVERY

January 31, 2019

Ms. Michele Harradence
Vice President, Transmission & Midstream Operations
Algonquin Gas Transmission, L.L.C.
5400 Westheimer Court
Houston, TX 77056

CPF 1-2019-1002W

Dear Ms. Harradence:

Between May 22, 2018 and June 15, 2018, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), and inspectors from the Connecticut Department of Energy & Environmental Protection (CT DEEP), acting as agents of PHMSA, pursuant to Chapter 601 of 49 United States Code performed an integrated inspection of Algonquin Gas Transmission, L.L.C. (AGT) pipeline system in Massachusetts, Rhode Island and Connecticut.

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

1. **§192.491 Corrosion control records.**

   (c) Each operator shall maintain a record of each test, survey, or inspection required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that a corrosive condition does not exist. These records must be retained for at least 5 years, except that records related to §§192.465(a) and (e) and 192.475(b) must be retained for as long as the pipeline remains in service.

AGT failed to maintain a record of each test, survey, or inspection required by Part 192 Subpart I in sufficient detail to demonstrate the adequacy of corrosion control measures or that a corrosive condition did not exist. Specifically, AGT failed to maintain Pipe and Coating Inspection Report

(Report) 1712705900 in sufficient detail of the internal inspection for internal corrosion.

During the inspection, the CT DEEP inspector reviewed Report 1712705900. The Report stated in part:

"Pipe & Coating

Internal Pipe Condition: Int. Surface Not Exposed

Internal Corrosion Product Present: n/a"

...

"Notes:

Comments: ... A 51.5" length of pipe was replaced on 6-8-2017... This section of pipe will be sent to Houston Metalurrgy [sic] no RMTR required."

Report 1712705900 was created on 5/7/2017 to document the temporary repair of a leak. The internal surface was exposed on 6/8/2017 during the removal of the defective weld. Report 1712705900 was not updated, nor was a new report created to include the internal surface inspection for evidence of corrosion when the pipe was removed from the pipeline, as per § 192.475(b).

Therefore, AGT failed to maintain a record of an inspection required by Part 192 Subpart I in sufficient detail to demonstrate adequacy of corrosion control measures or that a corrosive condition did not exist.

2. **§ 192.603 General provisions.**

   (b) Each operator shall keep records necessary to administer the procedures established under § 192.605.

AGT failed to keep records as required under § 192.603(b) to demonstrate that the Westwood Area Emergency Manual had been reviewed/updated at intervals not exceeding 15 months, but at least once each calendar year, per § 192.605(a).

Section 192.605(a) states in part (emphasis added) "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. For transmission lines, the manual must also include procedures for handling abnormal operations. **This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least one each calendar year.**"

During the inspection, the PHMSA inspector requested to review AGT's records demonstrating compliance with § 192.605(a) for reviewing and updating its Westwood Area Emergency Manual. AGT could only produce one record, dated December 19, 2017, which applied to the review and update for the 2017 calendar year. AGT did not have records showing reviews and updates to the Westwood Area Emergency Manual for 2015 or 2016.

Therefore, AGT failed to keep records as required under § 192.603(b) to demonstrate that the

Westwood Area Emergency Manual had been reviewed/updated at intervals not exceeding 15 months, but at least once each calendar year.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed $213,268 per violation per day the violation persists, up to a maximum of $2,132,679 for a related series of violations. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed $209,002 per violation per day, with a maximum penalty not to exceed $2,090,022. 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(s) identified in this letter. Failure to do so will result in AGT being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 1-2019-1002W.** 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, 840 Bear Tavern Road, Suite 300, West Trenton, NJ 08628. Please refer to **CPF 1-2019-1002W** 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,

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