October 16, 2008

Jerry Mohn
Sr. Vice President
Trunkline Gas Company
5444 Westheimer Road
Houston, TX 77056-5306

Dear Mr. Mohn:

On August 4 thru 8 and 11 thru 14, 2008, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your pipeline facilities in Mississippi, Tennessee, and Kentucky areas and records at Shaw, Independence (Mississippi) and Dyersburg (Tennessee) district offices.

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:

§ 192.13 General
(c) Each operator shall maintain, modify as appropriate, and follow the plans, and procedures, and programs that it is required to establish under this part.

Trunkline Gas Company (TGC) did not conduct a gas leakage detection equipment survey at its mechanically shorted casing locations at class locations 1 & 11 on a semi-annual basis as per their procedure no. 1.22, Table 4.

1. During the field check on 8/13/08 in the KY area, the casings at the following locations are found mechanically shorted:
(a) Test Point 124+49, Hwy. 60, line 300, valve section 101: P/S: 1083mv C/S: 1081 mV (P/S: 1094/1091 C/S at 5 feet distance).
(b) Test Point 250+71, Stone Corner Road, line 300, valve section 101: P/S: 1223 mV, C/S: 1211 mV.
(c) Test Point 298+29, Abandoned Road, line 300, valve section 100: P/S: 1223 mV, C/S: 1184 mV.
2. In Dyersburg district, the test point 146+62, Hwy. 77, AM-3, line 300, showed a suspected shorted casing in 2006 & 2007. No electrical test was performed to verify if it was an actual shorted casing.
3. During the field check on 8/13/08, the casings at the following locations in Dyersburg district were found to be suspected shorted casings.
   (a) Test Point: 40+88, Hwy. 21 E, line 200: P/S: 1688 mV, C/S: 1680 mV.
   (b) Test Point: 442+62, Polk Road (Troy), line 200, P/S: 1304 mV, C/S: 1303 mV.
These casings were tested on 4/19/99 and found mechanically shorted in 2005 thru 2008. An accelerated leakage survey with gas leakage detection equipment is required on a semi-annually basis, not to exceed 71/2 months (SOP 1.22, effective 1/1/07). The semi-annually gas leakage detection survey by instrument is not being carried out from the date the casings are first found mechanically shorted.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed $100,000 for each violation for each day the violation persists up to a maximum of $1,000,000 for any related series of violation. 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 Trunkline Gas Company 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 2-2008-10008W. 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).

Sincerely,

Linda Daugherty
Director, Southern Region
Pipeline and Hazardous Materials Safety Administration