

April 21, 2011

U. S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Office of Pipeline Safety
Southern Region Office
233 Peachtree Street, Suite 600
Atlanta, Georgia 30303

Attention: Mr. Wayne T. Lemoi, Director

Re: CPF No. 2-2011-1005
Tennessee Gas Pipeline

Dear Mr. Lemoi:

We are in receipt of your Notice of Probable Violation ("NOPV") and Proposed Civil Penalty dated March 31, 2011, which was received in our Birmingham office April 5, 2011. The Southern Region of the Pipeline and Hazardous Materials Safety Administration ("PHMSA") asserted in CPF No. 2-2011-1005 that Tennessee Gas Pipeline Company ("TGP") had violated 49 CFR 192.605(a) at its Main Line Valve ("MLV") 535-2 located in Jasper County, Mississippi. Following is PHMSA's specific finding in bold text and quotation marks along with TGP's response.

"TGP did not follow its manual of written operations and maintenance procedures with regards to securing Main Line Valve (MLV) 535-2 to prevent unauthorized operation. During the field inspection, the PHMSA inspector observed, and took a photograph of, the valve hand-wheel lying up against the valve body. The hand-wheel was not chained, locked, or in any other way protected from unauthorized use."

TGP Response:

TGP corrected this finding at MLV 535-2 with the hand wheel being properly placed and secured December 9, 2010. Furthermore, TGP will review all main line valve sites to insure the appropriate security in accordance with its manual of written operations and maintenance procedures. The absolute need for proper valve security following main line valve operation or routine inspection will also be reinforced with operations personnel.

Proposed Civil Penalty:

Funds in the amount of \$25,000.00 will be paid April 21, 2011, to the account of the U.S. Treasury by wire transfer in accordance with 49 CFR 89.21(b)(3) and the instructions included in the NOPV. This electronic transfer will constitute payment in full of the civil penalty assessed.

Conclusion:

TGP appreciates PHMSA bringing this matter to its attention and looks forward to working with both you and your staff toward ensuring a continued safe pipeline system.

Sincerely,

A handwritten signature in cursive script that reads "William G. Cope".

William G. Cope
Vice President, Eastern Operations

KCP