

**NOTICE OF PROBABLE VIOLATION
PROPOSED CIVIL PENALTY
and
PROPOSED COMPLIANCE ORDER**

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 11, 2015

Mr. Richard Keyser
Sr. Vice President Operations
Texas Gas Transmission, LLC
9 Greenway Plaza, Suite 2800
Houston, TX 77046

CPF 2-2015-1004

Dear Mr. Keyser:

On July 1-2, 2015, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), Southern Region inspected the Texas Gas Transmission, LLC (TGT) Guthrie Compressor Station in Sterlington, Louisiana, pursuant to Chapter 601 of 49 United States Code.

As a result of the inspection, it appears that TGT has committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The item inspected and the probable violation is as follows:

- 1. §192.163 Compressor stations: Design and construction.¹**
... (d) *Fenced areas*. Each fence around a compressor station must have at least two gates located so as to provide a convenient opportunity for escape to a place of safety, or have other facilities affording a similarly convenient exit from the area. Each gate located within 200 feet (61 meters) of any compressor plant building must open outward and, when occupied, must be openable from the inside without a key.

¹ This code section has not been amended since the code was promulgated in 1970 other than adding the metric equivalent of 61 meters in July 1998. Accordingly, it represents the code as written in 1989 when the Guthrie Compressor Station was activated.

TGT's Guthrie Compressor Station is surrounded by a fence, yet the fence did not have at least two gates located so as to provide a convenient opportunity for escape to a place of safety nor were there other facilities affording a similarly convenient exit from the compressor station area.

TGT's Guthrie Compressor Station was activated circa 1989 but had only one gate in the fence, which was an automatic entrance/exit gate. The fenced area around the compressor station did not have any other facilities affording a convenient exit from the area.

Proposed Civil Penalty

Under 49 United States Code, § 60122, TGT is subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a related series of violations. The Compliance Officer has reviewed the circumstances and supporting documentation involved in the above probable violation and has recommended that TGT be preliminarily assessed a civil penalty of \$38,800 as follows:

<u>Item number</u>	<u>Penalty</u>
1	\$38,800

Proposed Compliance Order

With respect to item 1, pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Texas Gas Transmission, LLC. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Response to this Notice

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). 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 a Final Order.

In your correspondence on this matter, please refer to **CPF 2-2015-1004** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Wayne T. Lemoi
Director, Office of Pipeline Safety
PHMSA Southern Region

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Compliance Proceedings

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Texas Gas Transmission, LLC (TGT) a Compliance Order incorporating the following remedial requirements to ensure the compliance of TGT with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to TGT's Guthrie Compressor Station surrounded by a fence that did not have at least two gates located so as to provide a convenient opportunity for escape to a place of safety nor were there other facilities affording a similarly convenient exit from the compressor station area, TGT must install an additional gate in the fence in accordance with the code no later than 30 days after issuance of a Compliance Order.

2. It is requested (not mandated) that TGT maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Wayne T. Lemoi, Director, Southern Region – Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.