

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

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

May 3, 2017

Mr. David Chalson
Senior Vice President, Operations
Mid-Valley Pipeline Company
401 Market Street
Aston, PA 19014

CPF 2-2017-5003

Dear Mr. Chalson:

From August 15 to 19, 2016, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Southern Region, Office of Pipeline Safety (OPS), inspected the Mid-Valley Pipeline Company (MVPL) records at the Oxford, Mississippi office and pipeline facilities in Mississippi and Tennessee, pursuant to Chapter 601 of 49 United States Code.

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

- 1. §195.412 Inspection of rights-of-way and crossings under navigable waters. Each operator shall, at intervals not exceeding 3 weeks, but at least 26 times each calendar year, inspect the surface conditions on or adjacent to each pipeline right-of-way. Methods of inspection include walking, driving, flying or other appropriate mean of traversing the right-of-way.**

MVPL did not adequately inspect its pipeline right-of-way.

MVPL inspects its pipeline right-of-way by flying. During the inspection several areas in Mississippi and Tennessee were found with trees and vegetation overgrown such that the surface of the right-of-way could not be visible enough to yield an adequate inspection.

Locations where the right-of-way was found to contain excessive growth and tree canopy blocking aerial visibility of the right-of-way surface were as follows:

- Aerial Marker 327
- Bibbs Road crossing between Block Valve 339 and Aerial Marker 352
- Hwy 7 road crossing at M.P. 373.842
- Danko Lane at M.P. 560.262

Proposed Civil Penalty

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$205,638 per violation per day the violation persists up to a maximum of \$2,056,380 for a related series of violations. For violations occurring between January 4, 2012 to August 1, 2016, 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. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with maximum penalty not to exceed \$1,000,000 for related series of violations. The Compliance Officer has reviewed the circumstances and supporting documentation involved in the above probable violation and has recommended that you be preliminarily assessed a civil penalty of \$88,400.

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. All material you submit in response to this enforcement action may be 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 2-2017-5003** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

James A. Urisko
Director, Office of Pipeline Safety
PHMSA Southern Region

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