

## WARNING LETTER

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 24, 2018

Mr. Richard Keyser  
Senior Vice President of Operations  
Gulf South Pipeline Company, L.P.  
9 Greenway Plaza, Suite 2800  
Houston, Texas 77046

CPF 2-2018-1001W

Dear Mr. Keyser:

From November 13 to November 17, 2017, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety, inspected Gulf South Pipeline Company (Gulf South) facilities in Mississippi, pursuant to Chapter 601 of 49 United States Code (U.S.C.).

As a result of the inspection, it is alleged that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The item inspected and the probable violation is:

1. **§192.605 Procedural manual for operations, maintenance, and emergencies.**
  - (a) ***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 once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.**

Gulf South failed to meet the regulation because it did not follow its manual of written procedures for conducting operations and maintenance activities for each pipeline.

Gulf South is a subsidiary of Boardwalk Pipeline Partners, LP. (Boardwalk), and incorporates Boardwalk's Operations and Maintenance (O&M) manual. Boardwalk procedures, titled "*Roads and Railroads Class 3 (Cased and Uncased) Task List*" and "*Roads and Railroads Class 1 & 2 Task List (Natural Gas)*," both dated September 1, 2017, prescribe actions required to demonstrate compliance with §192.705 (Transmission Lines: Patrolling) and §192.706 (Transmission Lines: Leakage Surveys). Both procedures require operator personnel to "Check condition of vent pipe..." and to complete the required documentation for the results of the patrols and surveys. The documentation is managed in Gulf South's Operations Management System (OMS) as the report titled "*DOT Highway and Railroad Inspection Reports*." The referenced report includes a data field for documenting the casing vent condition ("Casing Vents Good? (where applicable)").

PHMSA's review of the above-referenced reports documenting the required transmission line patrolling and leakage surveys revealed that the casing vent status at 36 locations were incorrectly documented for multiple patrols and leak surveys from January 1, 2015, through November 10, 2017, as follows:

- 34 locations reported "Casing Vents Good?" as "Y" (yes) where no casing existed
- 2 locations reported "Casing Vents Good?" as "NA" (not applicable) where casings existed
- 31 of the 36 locations documented with inconsistent casing vent statuses in consecutive inspections by the same inspector

Gulf South personnel provided detailed asset sheets for each of the 36 locations, confirming the existence, or lack thereof, of a vented casing.

As of April 27, 2017, under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$209,002 per violation per day the violation persists up to a maximum of \$2,090,022 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 items identified in this letter. Failure to do so will result in Gulf South 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 2-2018-1001W**. 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,

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