

## WARNING LETTER

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 27, 2020

Mr. Matthew Paul  
President and Chief Operating Officer, DTE Gas  
DTE Gas Company  
One Energy Plaza  
WCB 2377  
Detroit, MI 48226

CPF 3-2020-1001W

Dear Mr. Paul:

On May 13-16, 2019, representatives of the Michigan Public Service Commission (MIPSC) acting as an interstate agent for the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected the DTE - Vector Pipeline (DTE) gas facilities near Milford, Michigan.

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

**1. §191.25 Filing safety-related condition reports.**

- (a) Each report of a safety-related condition under §191.23(a) must be filed (received by OPS within five working days, not including Saturday, Sunday, or Federal Holidays) after the day a representative of the operator first determines that the condition exists, but not later than 10 working days after the day a representative of the operator discovers the condition. Separate conditions may be described in a single report if they are closely related. Reports may be transmitted by electronic mail to [InformationResourcesManager@dot.gov](mailto:InformationResourcesManager@dot.gov) or by facsimile at (202) 366-7128.**

DTE did not timely report a safety-related condition initially identified on its pipeline on October 18, 2018, within five working days of determination or 10 days from discovery.

On October 18, 2018, DTE discovered accelerated erosion along the bank of the Belle River in China Township, Michigan. Per §191.23(a)(3) unintended movement or abnormal loading by environmental causes, such as an earthquake, landslide, or flood is a safety-related condition. On January 19, 2019, DTE filed a safety-related condition report, approximately 3 months after discovery. DTE eventually completed an evaluation of the crossing to further understand the accelerated erosion effect on the pipeline. However, DTE had not completed the evaluation within 10 days of the October 18, 2018, discovery date; therefore, a safety-related condition report should have been filed.

**2. §192.479 Atmospheric corrosion control; General.**

**(a) Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere, except pipelines under paragraph (c) of this section.**

DTE did not clean and coat multiple fittings located at valve site 3A and 2 between the Highland Compressor Station and Washington Compressor Station. A number of fittings and components at these locations had not been painted since their installation and had significant rust at the time of the inspection. DTE addressed the concerns after the MIPSC inspection.

**3. §192.745 Valve maintenance: Transmission lines.**

**(a) Each transmission line valve that might be required during any emergency must be inspected and partially operated at intervals not exceeding 15 months, but at least once each calendar year.**

DTE did not inspect valves that might be required during an emergency at intervals not exceeding 15 months, but at least once each calendar year. During MIPSC's review of the mainline valve inspection reports, it was noted that the blow-off valves (Valve FM and FB) at the Mainline Valve F-4 station located at 4400 Inwood Road in Washington Township were not being inspected as emergency valves. It appears that these Valves FM and FB allow for an emergency blowdown or crossover to the other mainline to occur, and therefore should be considered emergency valves. The records only documented the inspection of the mainline valve itself and the 12" valve at the blow-off stack on annual inspection reports.

**4. §192.947 What records must an operator keep?**

**An operator must maintain, for the useful life of the pipeline, records that demonstrate compliance with the requirements of this subpart. At minimum, an operator must maintain the following records for review during an inspection.**

**(a) . . .**

**(d) Documents to support any decision, analysis and process developed and used to implement and evaluate each element of the baseline assessment plan and integrity management program. Documents include those developed and used in support of any identification, calculation, amendment, modification, justification, deviation and determination made, and any action taken to implement and evaluate any of the program elements;**

During the inspection, a building identified as Lake Orion School District Transportation Services office was noted by MIPSC with the potential for 20 or more employees in the building at once for at least 50 days of the year. However, DTE was unable to provide a record showing that an evaluation was performed to determine if this was an “identified site”.<sup>1</sup> MIPSC personnel believes that the evaluation was completed, but there were no records documenting the evaluation.

**5. §192.603 General provisions**

**(a) . . .**

**(b) Each operator shall keep records necessary to administer the procedures established under §192.605.**

§192.615 Emergency plans.

**(a) . .**

**(b) Each operator shall:**

**(1) . . .**

**(2) Train the appropriate operating personnel to assure that they are knowledgeable of the emergency procedures and verify that the training is effective.**

DTE did not keep records necessary to administer the emergency plans established under §192.605. Specifically, DTE was unable to provide documentation that the annual station bypass training, which is part of the emergency training, was completed in 2016.

---

<sup>1</sup> See 49 CFR §192.905 for definition of “identified sites”.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed \$213,268 per violation per day, with a maximum penalty not to exceed \$2,132,679. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022. For violations occurring prior to November 2, 2015, 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. 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 DTE 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 3-2020-1001W**. 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,

Allan C. Beshore  
Director, Central Region, OPS  
Pipeline and Hazardous Materials Safety Administration

cc: Ms. Renee Tomina, Vice President of Gas Operations, DTE Gas Company, One Energy Plaza, WCB 1718, Detroit, MI 48226