

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: mark.hewitt@nngco.com and
royce.ramsay@nngco.com

February 10, 2021

Mr. Mark Hewitt
President & CEO
Northern Natural Gas Company
1111 South 103rd Street
Omaha, NE 68124

3-2021-1001M

Dear Mr. Hewitt:

Between May 13 and August 22, 2019, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) and state agents from Michigan, Iowa and Minnesota pursuant to Chapter 601 of 49 United States Code inspected Northern Natural Gas Company (Northern Natural) procedures for Operations, Maintenance, Control Room, Integrity Management, and Public Awareness in Omaha, Nebraska, as well as its gas pipeline system facilities located in Iowa, Minnesota, Wisconsin and Michigan.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Northern Natural's plans or procedures, as described below:

1. **§ 192.605 Procedural manual for operations, maintenance, and emergencies.**
 - (a)
 - (b) *Maintenance and normal operations.* The manual required by paragraph (a) of this section must include procedures for the

following, if applicable, to provide safety during maintenance and operations.

(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and subpart M of this part.

Northern Natural's procedure 80.407 Gas Leak Detection Survey (Rev.26: 12/31/2015) (Procedure) fails to address the gas leak detection survey frequency for non-odorized gas lines for a feature relating to leak surveys over water. Leakage surveys locations are governed by § 192.706, which is included within subpart M of part 192. The regulation requires that operators of non-odorized gas transmission lines located in a Class 3 location perform leakage surveys at intervals not exceeding 7 ½ months, but at least twice each calendar year. Pursuant to § 192.706(b)(1), operators must have adequate procedure(s) to assure the safe operation of pipelines through compliance with the applicable requirements of subpart M of part 192. Northern Natural fails to have such a procedure.

During the field inspection, the inspector from the State of Michigan observed that an un-odorized Class 3 pipeline in the Houghton and Hancock area crosses the Portage Canal. It was communicated to the inspector that the instrumented leak survey stopped at the edge of the water. Section 192.706 requires the survey to be conducted over the entire pipeline, and the associated procedure(s) must cover all conditions. Northern Natural's procedure 80.407 "Gas Leak Detection Survey" does not describe requirements or provide guidance related to how a leak detection survey over bodies of water is to be performed. Section 5.2.1 of the Procedure refers the operator to the Gas Leak Detection Frequency Table listed at the end of the Procedure. While there is frequency guidance for special permit un-odorized lines, un-odorized lines not covered by special permits are not addressed.

2. § 192.631 Control Room Management

(a)

(e) *Alarm management.* Each operator using a SCADA system must have a written alarm management plan to provide for effective controller response to alarms. An operator's plan must include provisions to:

(1)

(5) Monitor the content and volume of general activity being directed to and required of each controller at least once each calendar year, but at intervals not to exceed 15 months, that will assure controllers have sufficient time to analyze and react to incoming alarms;

Northern Natural's Control Room Procedure 050.400b, Alarm Management Annual Review of General Activity, does not contain adequate provisions to monitor the content and general activity being directed to and required of each controller. Operators are required to develop procedures necessary to ensure that controllers are able to identify alarm "floods", which can involve many alarms occurring simultaneously or in a short period of time. In order to assure that controllers are not overwhelmed in their ability to recognize problems and events that may underlie the alarms, and thus delay prompt response, operators must prepare procedures that identify and define the content and general activity. Having such procedures assures that the ability of a controller to respond appropriately to a safety-related event is not compromised. A procedure required under this regulation requires a process that includes, for example, reviewing phone calls, alarms responded to, commands sent, email activity, field response, nomination review and set ups, planning, training, shift change, monitoring weather and news reports, and planning activities. Further, the process set forth in the procedure must be able to support the findings and any conclusions about maintaining or changing assigned duties.

Northern Natural's Control Room Procedure 050.400b is inadequate to assure the safe operation of its pipelines. Specifically, the procedure does not review all required activities of a controller and develop a criterion that will assure controllers have sufficient time to analyze and react to incoming alarms. Northern Natural must modify its procedure 050.400b, Alarm Management Annual Review of General Activity, to expand the activities reviewed and perform analysis to substantiate the conclusions about the activities directed to the controller, during normal and peak hours of activity, that will assure controllers have sufficient time to analyze and react to incoming alarms.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Enforcement 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under §190.211. 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 an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that northern Natural Gas Transmission maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Gregory A. Ochs, Director, Central Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 3-2021-1001M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Gregory A. Ochs, Director
Central Region, OPS
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Enforcement Proceedings*

cc: Royce Ramsay, VP Operations, royce.ramsay@nngco.com