OCT 29 2009

Mr. Dwayne Burton  
Vice-President – Operations  
Natural Gas Pipeline Company of America  
One Allen Center  
500 Dallas Street  
Suite 1000  
Houston, TX 77002

Re: CPF No. 4-2009-1012

Dear Mr. Burton:

Enclosed is the Final Order issued in the above-referenced case. It makes findings of violation and specifies actions that Natural Gas Pipeline Company of America needs to take to comply with the pipeline safety regulations. When the terms of the compliance order have been completed, as determined by the Director, Southwest Region, this enforcement action will be closed. Your receipt of this Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

[Signature]

Jeffrey D. Wiese  
Associate Administrator  
for Pipeline Safety

Enclosure

cc: Mr. R.M. Seeley, Director, Southwest Region, PHMSA

CERTIFIED MAIL – RETURN RECEIPT REQUESTED [7009 1410 0000 2464 5751]
U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590

In the Matter of

Natural Gas Pipeline Company of America, CPF No. 4-2009-1012
Respondent.

FINAL ORDER

During the months of March through August, and November 2008, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an inspection of Natural Gas Pipeline Company of America, (NGPL’s or Respondent’s) natural gas pipeline facilities and records located in southern Oklahoma, Texas, and Louisiana. As a result of the inspection, the Director, Southwest Region, OPS (Director), issued to NGPL, by letter dated May 8, 2009, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that NGPL had violated 49 C.F.R. §§ 192.481, 192.705, and 192.707, and proposed ordering NGPL to take certain measures to correct the alleged violations. The Notice also proposed finding that Respondent had committed probable violations of 49 C.F.R. §§ 192.13 and 192.751, and warned Respondent to take appropriate corrective actions or be subject to future enforcement action.

NGPL responded to the Notice by letters dated June 3, 2009, and July 8, 2009. Respondent did not contest the allegations of violation and provided explanations and information concerning the corrective actions it was taking and planned to take in the future for the remaining items.

FINDINGS OF VIOLATION

Item 2: The Notice alleged that Respondent violated 49 C.F.R. § 192.481(b) & (c), which state:

§ 192.481 Atmospheric corrosion control: Monitoring.
(b) During inspections the operator must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.
(c) If atmospheric corrosion is found during an inspection, the operator must provide protection against the corrosion as required by § 192.479.

Item 2 in the Notice alleged that Respondent violated § 192.481(b) and (c) by failing to provide protection against atmospheric corrosion in a timely manner. Specifically, the Notice alleged NGPL’s above ground meter station piping had signs of atmospheric corrosion at the pipe supports where metal-to-metal contact is present at the following locations: the Sycamore Meter/Tap facility, Energex/TransOK Bryan County Meter/Tap facility, and Delhi/Panola Meter facility. Additionally, at the Erath/Henry Hub pig trap piping, the filter/separator piping at Compressor Station 346, and the Slug Catcher Pressure Regulator facility at Compressor Station 342, there were signs of atmospheric corrosion. The atmospheric corrosion at Compressor Station 342 had been noted on follow-up work orders by NGPL personnel in March 2006, April 2007, and April 2008 as "Poor." At the time of inspection, Respondent had not taken corrective actions as required by 49 C.F.R. § 192.481 to correct these identified deficiencies.

Respondent did not contest the allegation of violation, and indicated it would provide a plan of action to isolate metal-to-metal contact where required and to paint those facilities where required. In a letter dated July 8, 2009, Respondent provided a plan of action for completing remedial action. Accordingly, I find that Respondent violated 49 C.F.R. § 192.481(b) and (c) by failing to take corrective actions to remedy identified deficiencies in corrosion control.

**Item 3:** The Notice alleged that Respondent violated 49 C.F.R. § 192.705(a), which states:

**§ 192.705 Transmission lines: Patrolling.**

(a) Each operator shall have a patrol program to observe surface conditions on and adjacent to the transmission line right-of-way for indications of leaks, construction activity, and other factors affecting safety and operation.

Item 3 in the Notice alleged that Respondent violated 49 C.F.R. § 192.705(a) by failing to ensure that surface conditions were viewable along the entire right-of-way (ROW) during aerial patrolling. Specifically, the Notice alleged that numerous ROW areas were obstructed when viewed by aerial patrol due to vegetation overgrowth, trash, or a tree, including: the US 287/RR crossing of the OE line; the 20 inch line north of the North Lansing Storage Field; the GC #1 crossing of the Sabine River; the GC #3 north of the Angelina River crossing; the GC #1 and #2 south of TX SR 103 crossing; and the GC #1, #2, and #3 on the south side of the Trinity River.

Respondent did not contest the allegation of violation, and indicated it would provide a plan of action to clear ROWs of debris and obstruction to enable aerial patrolling to continue. If impossible to clear the ROW for aerial patrol, Respondent indicated it would clear the ROW for foot patrol. In a letter dated July 8, 2009, Respondent provided a plan of action for Item 3, which indicated that Respondent is in the process of instituting remedial action. Accordingly, I find that Respondent violated 49 C.F.R. § 192.705(a) by failing to ensure clear and unobstructed ROWs when using aerial patrolling.
Item 4: The Notice alleged that Respondent violated 49 C.F.R. § 192.707(a)(2), which states:

§ 192.707 Line markers for mains and transmission lines.
   (a) Buried pipelines. Except as provided in paragraph (b) of this section, a line marker must be placed and maintained as close as practical over each buried main and transmission line . . .
   (2) Wherever necessary to identify the location of the transmission line or main to reduce the possibility of damage or interference.

Item 4 in the Notice alleged that Respondent violated 49 C.F.R. § 192.707(a)(2) by failing to provide pipeline markers in several locations. Specifically, pipeline markers were missing along the ROW in the vicinity of MP 461 for GC #1 and #2; north along the ROW for GC #1, #2 and #3 near MP 473; south from TX SR 154 along the ROW for the GC pipelines near MP 450; west along the 30 inch Longview Lateral from MP 450; north along the GC #3 line-from the Angelina River near MP 369; south from TX SR 103 near MP 363 along GC #1 and #2; south from TX FM 1818 near MP 353 along GC #1 and #2; north from the MC & SA RR near MP 332 along GC #1 and #2; south beyond the fence line near MP 332 along GC #1 and #2; west along the Hagist Lateral from MP 14 at TX CR 351; east along the Hagist Lateral from MP 15 at TX CR 351 beyond the fence line; and south from the Aransas River near MP 77 along the GC #1 and #2.

Respondent did not contest the allegation of violation, and indicated it would survey the noted crossings and provide a plan of action to improve the signage as needed to denote the location of NGPL pipelines. In a letter dated July 8, 2009, Respondent provided a plan of action for completing remedial action to address the missing pipeline markers in the areas identified during the inspection. Accordingly, I find that Respondent violated 49 C.F.R. § 192.707(a)(2) by failing to provide pipeline markers in several locations.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a Compliance Order with respect to Items 2, 3, and 4 in the Notice for violations of 49 C.F.R. §§ 192.481, 192.705, and 192.707. In a letter dated July 8, 2009, Respondent stated that it has completed certain portions of the items in the proposed compliance order; however, the operator has not submitted documentation supporting its claim that the actions have been completed.

Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations, and submit documentation demonstrating each Item has been completed. Respondent must:
1. In regard to Item Number 2, inspect all above ground facility piping for indications of atmospheric corrosion. If atmospheric corrosion is found, provide protection against corrosion, in accordance with 49 C.F.R. §§ 192.479 and 192.481, to ensure the safety of the public and surrounding environment.

2. In regard to Item Number 3, survey the ROWs and make necessary improvements to ensure that the entire ROW can be observed using the chosen method of patrolling, in accordance with 49 C.F.R. § 192.705(a).

3. In regard to Item Number 4, survey the pipeline ROWs and place additional markers to ensure that pipeline markers are not only present at fence lines, roadway and railroad crossings, but also wherever necessary to identify the pipeline location within the ROWs and to help prevent pipeline damage.

4. Maintain documentation of the safety improvement costs associated with fulfilling the Compliance order and submit the total to Director. Costs shall 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.

5. Complete these items and submit documentation of compliance within 120 days after the receipt of the Final Order. Documentation shall be submitted to the Director, Southwest Region, Office of Pipeline Safety, 8701 South Gessner Dr, Suite 1110, Houston, TX 77074-2949.

The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent demonstrating good cause for an extension.

Failure to comply with this Order may result in administrative assessment of civil penalties not to exceed $100,000 for each violation for each day the violation continues, or in referral to the Attorney General for appropriate relief in a district court of the United States.

**WARNING ITEMS**

With respect to Items 1 and 5, the Notice alleged probable violations of 49 C.F.R. §§ 192.13(c) and 192.751(c) but did not propose a civil penalty or compliance order for these items. Therefore, these are considered to be warning items. The warnings were for:

49 C.F.R. § 192.13(c) (Notice Item 1) - Respondent’s alleged failure to follow its welder qualification procedures. Respondent’s procedures, O&M 401/C1061, *Welder Qualification and Testing, § 3.2 Company Welder Tests*, states, “A Company welder will complete the annual test and any subsequent retests no later than April 1. A Company welder must pass Tests 1 and 2 to be qualified.” The Notice alleged that one of Respondent’s company welders had taken the annual Welder Qualifications Tests 1 and 2 on April 10, rather than April 1. Respondent presented information in its Response
explaining that the welder in question missed the April 1 test date due to a medical condition which precluded him from performing any welding activities.

49 C.F.R. § 192.751(c) (Notice Item 5) - Respondent’s alleged failure to have visible or readable ‘No Smoking’ signs at Respondent’s MP 412 location and MP 4 location on the LA #1 line at the Trunkline Meter/Tap facility. By the next day of the inspection, Respondent replaced and/or added signs that had deteriorated at the locations specified during the inspection.

Respondent presented information in its Response showing that it had taken certain actions to address the cited items. Having considered such information, I find, pursuant to 49 C.F.R. § 190.205, that probable violations of 49 C.F.R. § 192.13(c) (Notice Item 1) and 49 C.F.R. § 192.751(c) (Notice Item 5) have occurred and Respondent is hereby advised that in the event OPS finds a violation for any of these items in a subsequent inspection, Respondent may be subject to future enforcement action.

Under 49 C.F.R. § 190.215, Respondent has a right to submit a Petition for Reconsideration of this Final Order. The petition must be received within 20 days of Respondent’s receipt of this Final Order and must contain a brief statement of the issue(s). The terms of the order, including any required corrective action, shall remain in full force and effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Final Order shall be effective upon receipt.

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

OCT 29 2008
Date Issued