

## **WARNING LETTER**

### **CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

March 23, 2016

Mr. Royce Ramsay, Vice President of Operations  
Northern Natural Gas Company  
1111 South 103<sup>rd</sup> Street  
Omaha, NE 68214

**CPF 4-2016-1002W**

Dear Mr. Ramsay:

From March through November 2015, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Northern Natural Gas Company's (NNG) pipelines and facilities in Nebraska, Kansas, Oklahoma and Texas.

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

**1. § 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.**

**(c) Except portions of pipelines in offshore splash zones or soil-to-air interfaces, the operator need not protect from atmospheric corrosion any pipeline for which the operator demonstrates by test, investigation, or experience appropriate to the environment of the pipeline that corrosion will—**

**(1) Only be a light surface oxide; or**

**(2) Not affect the safe operation of the pipeline before the next scheduled inspection.**

The Burdet block valve 1 risers on line M610B in Kansas did not have an adequate soil-to-air interface coating for prevention of atmospheric corrosion.

While performing atmospheric coating inspections of NNG's above ground block valve settings, it was observed that the area around the block valve risers had become covered with soil up to the top of the connection flanges. The connection flanges did not have an appropriate coating to prevent corrosion at the soil-air interface.

In regards to Item 1 above, NNG submitted to PHMSA documentation and photographs that the soil-air interface was repaired by removing soil from the connection flanges and coating the riser and flanges with an appropriate coating. PHMSA reviewed the correspondence and determined the repair to be acceptable.

**2. § 192.615 Emergency plans.**

**(b) Each operator shall:**

**(3) Review employee activities to determine whether the procedures were effectively followed in each emergency.**

NNG did not review employee's activities performed during the emergency response on line TXM15501-M880B to determine if procedures were effectively followed.

While performing a review of emergency response activity, it was observed from NRC report No. 20140051 that on April 11, 2014 NNG personnel responded to an emergency of an unintentional release of gas that was determined to be a leaking relief valve on line TXM15501-M880B. NNG could not produce documentation that following the emergency response activity a review was conducted to determine if the procedures were effectively followed by their personnel.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$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 a maximum penalty not to exceed \$1,000,000 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 items identified in this letter. Failure to do so will result in Norther Natural 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 4-2016-1002W**. 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,

R. M. Seeley  
Director, Southwest Region  
Pipeline and Hazardous Materials Safety Administration