



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

8701 S. Gessner, Suite 630
Houston, TX 77074

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED COMPLIANCE ORDER**

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 20, 2016

Mr. Pete Kirsch
Sr. VP-Pipelines Operations and Engineering
Enable Gas Transmission, LLC
211 North Robinson Avenue, Room 150
Oklahoma City, OK 73102

CPF 4-2016-1015

Dear Mr. Kirsch:

On multiple occasion between February 22 and November 17, 2016, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code inspected your procedures, records and pipeline facilities throughout Arkansas, Illinois, Missouri, Louisiana, Oklahoma and Texas.

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. The items inspected and the probable violation(s) are:

1. **§192.935 What additional preventive and mitigative measures must an operator take?**

(a) General requirements. An operator must take additional measures beyond those already required by Part 192 to prevent a pipeline failure and to mitigate the consequences of a pipeline failure in a high consequence area. An operator must base the additional measures on the threats the operator has identified to each pipeline segment. (See §192.917) An operator must conduct, in accordance with one of the risk assessment approaches in ASME/ANSI B31.8S (incorporated by reference, see §192.7), section 5, a risk analysis of its pipeline to identify additional measures to protect the high consequence area and enhance public safety. Such additional measures include, but are not limited to, installing Automatic Shut-off Valves or Remote Control Valves, installing computerized monitoring and leak detection systems, replacing pipe segments with pipe of heavier wall thickness, providing additional training to personnel on response procedures, conducting drills with local emergency responders and implementing additional inspection and maintenance programs.

Enable failed to take additional measures beyond those already required by Part 192 to prevent a pipeline failure and to mitigate the consequences of a pipeline failure in a high consequence area. Enable did not implement preventive and mitigative (P&M) measures on all the threats that were identified during the risk analysis. Enable's Integrity Management Program (IMP), PS-258 Preventive & Mitigative Measures, Section 4.1 states, "The Company must take additional measures beyond those required by Part 192 to prevent a pipeline failure and to mitigate the consequences of a pipeline failure in a high consequence area."

Enable's Risk Data table provided to PHMSA confirmed the threats identified during their risk analysis for each HCA segment. In some HCA segments, external and internal corrosion were determined to be the highest threats. When records for implementation for P&M measures were reviewed, Enable's records show they only performed "extra patrols" and installed line markers. Enable failed to implement P&M measures for all of the identified threats for many HCA segments. For example, HCA segments HS1080 on Line ML2, beginning station 2036+28, end station 2070+18; HS1081 on Line ML2, beginning station 2091+84, end station 2154+20; and HS1082 on Line ML2, beginning station 2187+63, end station 2208+59; all have external corrosion and internal corrosion as high threats. Enable records provided to PHMSA confirmed the only P&M measure implemented was to "install line of sight markers".

2. §191.23 Reporting safety-related conditions.

(a) Except as provided in paragraph (b) of this section, each operator shall report in accordance with §191.25 the existence of any of the following safety-related conditions involving facilities in service:

(8) Any safety-related condition that could lead to an imminent hazard and causes (either directly or indirectly by remedial action of the operator), for purposes other than abandonment, a 20 percent or more reduction in operating pressure or shutdown of operation of a pipeline or an LNG Facility that contains or processes gas or LNG.

Enable failed to report in accordance with §191.25 the existence of a safety-related condition that could lead to an imminent hazard and caused a 20% reduction in operating pressure.

Enable performed an integrity assessment on their JM-30 Line using an In-Line-Internal tool. On August 6, 2012, Enable discovered an anomaly and categorized the anomaly as an immediate condition. On August 7, 2012, Enable issued a 20% operating pressure reduction due to the immediate condition. The 20% operating pressure reduction established August 7, 2012 as the date of discovery of a safety-related condition. The immediate condition was found to be an 84% metal loss and was repaired on August 23, 2012, (12) business days after it was discovered. Since the immediate condition was found to be within 220 yards from a building intended for human occupancy, and was not repaired within 10 working days of the date of discovery, Enable needed to have submitted to PHMSA a safety-related condition report.

3. §192.943 When can an operator deviate from these reassessment intervals?

(b) How to apply. If one of the conditions specified in paragraph (a) (1) or (a) (2) of this section applies, an operator may seek a waiver of the required reassessment interval. An operator must apply for a waiver in accordance with 49 U.S.C. 60118(c), at least 180 days before the end of the required reassessment interval, unless local product supply issues make the period impractical. If local product supply issues make the period impractical, an operator must apply for the waiver as soon as the need for the waiver becomes known.

Enable did not submit to PHMSA the waiver at least 180 days before the end of the required reassessment interval.

Enable submitted to PHMSA a request for waiver for their Line R casing and Line AM-145 casing reassessment which were not completed prior to December 31, 2015. Enable submitted the request for waiver on December 17, 2015. Enable did not submit the request for waiver at the required time frame.

Enable also failed to follow their Integrity Management Program, Reassessment Guidelines PS 260, Section 4.4 Waiver from Interval Greater Than Seven Years in Limited Situations, states Enable will submit a request for waiver with OPS (PHMSA) 180 days before the end of the required reassessment interval that may require a longer assessment interval.

Proposed Compliance Order

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$205,638 per violation per day the violation persists up to a maximum of \$2,056,380 for a related series of violations. For violations occurring between January 4, 2012 to August 1, 2016, 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. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with maximum penalty not exceeding \$1,000,000 for related series of violations

We have reviewed the circumstances and supporting documents involved in this case, and have decided not to propose a civil penalty assessment at this time.

With respect to item 1 pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Enable Gas Transmission. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Warning Items

With respect to item(s) 2 and 3 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 promptly correct these item(s). Be advised that failure to do so may result in Enable Gas Transmission being subject to additional enforcement action.

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance 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). 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 a Final Order.

In your correspondence on this matter, please refer to **CPF 4-2016-1015** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



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

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Compliance Proceedings

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Enable Gas Transmission, LLC a Compliance Order incorporating the following remedial requirements to ensure the compliance of Enable Gas Transmission, LLC with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to Enable Gas Transmission, LLC (EGT) failing to take additional preventive and mitigative measures on all the threats that were identified during the risk analysis on all their HCA segments.
 - a. EGT needs to document a list of appropriate P&M measures for all the threats that were identified during the risk analysis for each high consequence area segment, including external and internal corrosion.
 - b. EGT needs to correctly apply and implement those P&M measures to their appropriate HCA segment.
 - c. EGT needs to provide documentation to indicate the appropriate P&M measures have been correctly implemented to the threats identified.
2. Enable should complete item 1 within 60 days of receipt of the Final Order.
3. It is requested (not mandated) that Enable maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to R. M. Seeley, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs 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.