

NOTICE OF AMENDMENT

ELECTRONIC MAIL - RETURN RECEIPT REQUESTED

August 17, 2021

Eric Amundsen
Senior Vice President Operations
Florida Gas Transmission Company
1300 Main Street
Houston, Texas 77002

CPF 4-2021-041-NOA

Dear Mr. Amundsen:

From March 16, 2020 through October 2, 2020, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Florida Gas Transmission Company's (FGT) procedures for operations and maintenance via video teleconference. FGT operates under the plans and procedures of its parent company Energy Transfer Pipeline Company (ETC).

Based on the inspection, PHMSA has identified the apparent inadequacies found within FGT's plans or procedures as described below:

1. § 192.605 Procedural manual for operations, maintenance, and emergencies

(a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

ETC's written procedure, *Area Emergency Response Plan Development and Maintenance, Procedure Number A.19* (Effective Date: 8/1/2019), is inadequate because it does not require a review of the manual at least once each calendar year as required by § 192.605(a). Section 4.0 of Procedure A.19 requires that the plan be reviewed annually, not to exceed 15 months; however, it omits the calendar year requirement as contained in the regulation to ensure the review occurs once each calendar year.

ETC submitted a redlined amendment of Procedure Number A.19 on December 17, 2020, to address the omission as it was pending management approval and implementation. ETC must provide the approved amended procedure.

2. § 192.605 Procedural manual for operations, maintenance, and emergencies

(a)

(b) ...

§ 192.619 Maximum allowable operating pressure: Steel or plastic pipelines

(a) No person may operate a segment of steel or plastic pipeline at a pressure that exceeds a maximum allowable operating pressure (MAOP) determined under paragraph (c), (d), or (e) of this section, or the lowest of the following:

(1) The design pressure of the weakest element in the segment, determined in accordance with subparts C and D of this part. However, for steel pipe in pipelines being converted under § 192.14 or uprated under subpart K of this part, if any variable necessary to determine the design pressure under the design formula (§192.105) is unknown, one of the following pressures is to be used as design pressure:

(i) Eighty percent of the first test pressure that produces yield under section N5 of Appendix N of ASME B31.8 (incorporated by reference, see §192.7), reduced by the appropriate factor in paragraph (a)(2)(ii) of this section; or

(ii) If the pipe is 12 3/4 inches (324 mm) or less in outside diameter and is not tested to yield under this paragraph, 200p.s.i. (1379 kPa).

(2) The pressure obtained by dividing the pressure to which the pipeline segment was tested after construction as follows:

(i) For plastic pipe in all locations, the test pressure is divided by a factor of 1.5.

(ii) For steel pipe operated at 100 psi (689 kPa) gage or more, the test pressure is divided by a factor determined in accordance with the Table 1 to paragraph (a)(2)(ii):

TABLE 1 TO PARAGRAPH (a)(2)(ii)

Class location	Installed before (Nov. 12, 1970)	Factors, ^{1,2} segment -		
		Installed after (Nov. 11, 1970) and before July 1, 2020	Installed on or after July 1, 2020	Converted under § 192.14
1	1.1	1.1	1.25	1.25
2	1.25	1.25	1.25	1.25
3	1.4	1.5	1.5	1.5
4	1.4	1.5	1.5	1.5

For offshore pipeline segments installed, updated or converted after July 31, 1977, that are not located on an offshore platform, the factor is 1.25. For pipeline segments installed, updated or converted after July 31, 1977, that are located on an offshore platform or on a platform in inland navigable waters, including a pipe riser, the factor is 1.5.

(3) The highest actual operating pressure to which the segment was subjected during the 5 years preceding the applicable date in the second column. This pressure restriction applies unless the segment was tested according to the requirements in paragraph (a)(2) of this section after the applicable date in the third column or the segment was updated according to the requirements in subpart K of this part:

Pipeline segment	Pressure date	Test date
-Onshore <i>gathering line</i> that first became subject to this part (other than § 192.612) after April 13, 2006. -Onshore <i>transmission line</i> that was a gathering line not subject to this part before March 15, 2006.	March 15, 2006, or date line becomes subject to this part, whichever is later.	5 years preceding applicable date in second column.
Offshore gathering lines.	July 1, 1976	July 1, 1971.
All other pipelines.	July 1, 1970	July 1, 1965

(4) The pressure determined by the operator to be the maximum safe pressure after considering and accounting for records of material properties, including material properties verified in accordance with § 192.607, if applicable, and the history of the pipeline segment, including known corrosion and actual operating pressure.

(b) No person may operate a segment to which paragraph(a)(4) of this section is applicable, unless over-pressure protective devices are installed on the segment in a manner that will prevent the maximum allowable operating pressure from being exceeded, in accordance with §192.195.

(c) The requirements on pressure restrictions in this section do not apply in the following instance. An operator may operate a segment of pipeline found to be in satisfactory condition, considering its operating and maintenance history, at the highest actual operating pressure to which the segment was subjected during the 5 years preceding the applicable date in the second column of the table in paragraph (a)(3) of this section. An operator must still comply with § 192.611.

(d) The operator of a pipeline segment of steel pipeline meeting the conditions prescribed in § 192.620(b) may elect to operate the segment at a maximum allowable operating pressure determined under § 192.620(a).

(e) Notwithstanding the requirements in paragraphs (a) through (d) of this section, operators of onshore steel transmission pipelines that meet the criteria specified in § 192.624(a) must establish and document the maximum allowable operating pressure in accordance with § 192.624.

(f) Operators of onshore steel transmission pipelines must make and retain records necessary to establish and document the MAOP of each pipeline segment in accordance with paragraphs (a) through (e) of this section as follows:

(1) Operators of pipelines in operation as of July 1, 2020 must retain any existing records establishing MAOP for the life of the pipeline;

(2) Operators of pipelines in operation as of July 1, 2020 that do not have records establishing MAOP and are required to reconfirm MAOP in accordance with § 192.624, must retain the records reconfirming MAOP for the life of the pipeline; and

(3) Operators of pipelines placed in operation after July 1, 2020 must make and retain records establishing MAOP for the life of the pipeline.

ETC's written procedure, *Determination of MAOP, Procedure No. B.10*, Section 7.4 (Effective Date: 2/1/2020), is inadequate because it includes a process for establishing a deferred MAOP which is not allowable under § 192.619. ETC's procedure describes a deferred MAOP as the MAOP of the pipeline when either a temporary or permanent pressure reduction is taken or required due to a metal loss calculation, or an MAOP reduction is chosen over testing or replacing pipe where there are class location changes. There are no provisions for a deferred MAOP under § 192.619.

ETC must amend its Procedure No. B.10 to remove the process for establishing a deferred MAOP.

3. **§ 192.605 Procedural manual for operations, maintenance, and emergencies**

(a) ...

§ 192.452 How does this subpart apply to converted pipelines and regulated onshore gathering lines?

(a) Converted pipelines. Notwithstanding the date the pipeline was installed or any earlier deadlines for compliance, each pipeline which qualifies for use under this part in accordance with § 192.14 must meet the requirements of this subpart specifically applicable to pipelines installed before August 1, 1971, and all other applicable requirements within 1 year after the pipeline is readied for service. However, the requirements of this subpart specifically applicable to pipelines installed after July 31, 1971, apply if the pipeline substantially meets those requirements before it is readied for service or it is a segment which is replaced, relocated, or substantially altered.

ETC's written procedure, *Cathodic Protection System Design, Procedure No. D.25* (Effective Date: 5/1/2018), requires any newly constructed pipelines to have Cathodic Protection installed within one year, but omits "pipelines converted to service and lines that have become jurisdictional."

ETC provided a revised procedure with an effective date of August 1, 2020, with modifications to include pipelines converted to service and lines that become jurisdictional and the applicable dates. No further action is required.

4. § 192.615 Emergency Plans

(a) Each operator shall establish written procedures to minimize the hazard resulting from a gas pipeline emergency. At a minimum, the procedures must provide for the following:

(1) ...

(6) Emergency shutdown and pressure reduction in any section of the operator's pipeline system necessary to minimize hazards to life or property.

ETC's written Emergency Plan fails to provide a process or reference the process to be used in instances where a pressure reduction is taken. ETC's *Field Emergency Response Procedures, Procedure No. A.08* (Effective Date: 8/1/2019) includes within its scope of Section 2 to provide a process/procedure for an emergency shutdown and pressure reduction, as effective responses to an emergency; however, it fails to provide the process or reference the process within the procedure.

ETC submitted a redlined amendment of Procedure Number A.08 to address the omission, which was pending management approval and implementation. ETC must provide the approved amended procedure.

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 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).

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 Florida Gas Transmission Company maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Mary L. McDaniel, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 4-2021-041-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Mary L. McDaniel P.E
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration

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

cc: Todd Nardozi, Director Regulatory Compliance, Energy Transfer,
todd.nardozi@energytransfer.com