

January 14, 2020

Mr. Daniel W. Britton  
President and Chief Executive Officer  
Fairbanks Natural Gas, LLC  
3408 International Way  
Fairbanks, Alaska 99701

**Re: CPF No. 5-2016-3005**

Dear Mr. Britton:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation and specifies actions that need to be taken to comply with the pipeline safety regulations. When the terms of the compliance order are completed, as determined by the Director, Western Region, this enforcement action will be closed. Service of the Final Order by certified mail is effective upon the date of mailing as provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Alan K. Mayberry  
Administrator  
for Pipeline Safety

Enclosure (Final Order and NOPV)

cc: Mr. Dustin Hubbard, Director, Western Region, Office of Pipeline Safety, PHMSA  
Mr. Chris Gillespie, Operations Engineer, Fairbanks Natural Gas, LLC

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION  
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION  
OFFICE OF PIPELINE SAFETY  
WASHINGTON, D.C. 20590**

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**In the Matter of**

**Fairbanks Natural Gas, LLC,**

**Respondent.**

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**CPF No. 5-2016-3005**

**FINAL ORDER**

On September 16, 2016, pursuant to 49 C.F.R. § 190.207, the Director, Western Region, Office of Pipeline Safety (OPS), issued a Notice of Probable Violation and Proposed Compliance Order (Notice) to Fairbanks Natural Gas, LLC (Respondent). The Notice proposed finding that Respondent had violated the pipeline safety regulations in 49 C.F.R. Part 193 and proposed certain measures to correct the alleged violation. Respondent did not contest the allegation of violation or corrective measures.

Based upon a review of all the evidence, pursuant to § 190.213, I find Respondent violated the pipeline safety regulation listed below, as more fully described in the Notice, which is incorporated by reference:

49 C.F.R. § 193.2607(b) (**Item 1**) – Respondent failed to keep its LNG plant grounds free from rubbish, debris and other material which present a fire hazard.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

**COMPLIANCE ORDER**

The Notice proposed a compliance order with respect to Item 1 in the Notice for violation of 49 C.F.R. § 193.2607(b). 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:<sup>1</sup>

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<sup>1</sup> Note: On August 14, 2019, pursuant to 49 C.F.R. § 190.9, FNG filed a Petition for finding or approval (Petition) requesting permission to deviate from the requirements of § 193.2173. The approval of the Petition may supersede the requirements of this Order.

1. With respect to the violation of § 193.2607(b) (**Item 1**), Respondent must develop and implement a means to keep all LNG vaults and impoundments free of water, snow, and ice. FNG must document all details of any facility changes made because of this Order. FNG must revise its operations and maintenance procedures to record and document ice, snow, and water removal maintenance activities.

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 and demonstrating good cause for an extension.

It is requested (not mandated) that Respondent maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to the Director. 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.

Failure to comply with this Order may result in the administrative assessment of civil penalties not to exceed \$200,000, as adjusted for inflation (49 C.F.R. § 190.223), 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.

Under 49 C.F.R. § 190.243, Respondent may submit a Petition for Reconsideration of this Final Order to the Associate Administrator, Office of Pipeline Safety, PHMSA, 1200 New Jersey Avenue, SE, East Building, 2<sup>nd</sup> Floor, Washington, DC 20590, with a copy sent to the Office of Chief Counsel, PHMSA, at the same address, no later than 20 days after receipt of service of this Final Order by Respondent. Any petition submitted must contain a statement of the issue(s) and meet all other requirements of 49 C.F.R. § 190.243. The terms of the order, including corrective action, remain in effect unless the Associate Administrator, upon request, grants a stay.

The terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.

January 14, 2020

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Alan K. Mayberry  
Associate Administrator  
for Pipeline Safety

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Date Issued