

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 24, 2017

Mr. Gary Buchler
Vice President
El Paso Natural Gas Company
1001 Louisiana Street
Houston, TX 77002-5089

CPF 5-2017-1002W

Dear Mr. Buchler:

On March 29-31, 2016, June 14-16, 2016, August 29-September 2, 2016, September 26-30, 2016, October 3-7, 2016, and on November 29, 2016, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected El Paso Natural Gas Company's (EPNG) gas transmission pipeline system located in Ehrenberg, Phoenix and surrounding areas in Arizona.

As a result of the inspection, it is alleged that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The item inspected and the probable violation is:

1. **§192.739 Pressure limiting and regulating stations: Inspection and testing.**
 - (a) **Each pressure limiting station, relief device (except rupture discs), and pressure regulating station and its equipment must be subjected at intervals not exceeding 15 months, but at least once each calendar year, to inspections and tests to determine that it is—**
 - (1) **In good mechanical condition;**
 - (2) **Adequate from the standpoint of capacity and reliability of operation for the service in which it is employed;**

- (3) Except as provided in paragraph (b) of this section, set to control or relieve at the correct pressure consistent with the pressure limits of §192.201(a); and**
(4) Properly installed and protected from dirt, liquids, or other conditions that might prevent proper operation.

EPNG did not conduct inspections and tests of each pressure limiting station, relief device (except rupture discs), and pressure regulating station and its equipment at intervals not exceeding 15 months, but at least once each calendar year.

EPNG failed to conduct an inspection and test of St. Johns Mission regulator station on main line numbered 1124 within the 15-month interval. In 2014, EPNG performed an inspection of St. Johns Mission station on 08/30/2014. Then, the following year in 2015, EPNG inspected St. Johns Mission station on 12/04/2015. This inspection exceeds the 15-month interval.

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 violation 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 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 item identified in this letter. Failure to do so will result in EPNG 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 5-2017-1002W**. 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,

Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 C. Ishikawa (Unit 15164 Phoenix Complex/#152215)