

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

VIA FED EX – TRACKING NO. 7704 8605 9677

October 12, 2017

Ms. Cheryl F. Campbell
President
WestGas InterState, subsidiary of Xcel Energy
1800 Larimer Street, Suite 1400
Denver, CO 80202

CPF 5-2017-1012

Dear Ms. Campbell:

On February 14, March 27 through 28 and May 16, 2017, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected your WestGas InterState natural gas pipeline in northern Colorado and southern Wyoming.

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 violations are:

1. **§ 192.705 Transmission lines: Patrolling.**
 - (a) ...
 - (b) **The frequency of patrols is determined by the size of the line, the operating pressures, the class location, terrain, weather, and other relevant factors, but intervals between patrols may not be longer than prescribed in the following table:**

Maximum interval between Patrols		
Class location of Line	At highway and railroad crossings	At all other places
1, 2	7 ½ months; but at least twice each calendar year	15 months; but at least once each calendar year
3	4 ½ months; but at least four times each calendar year	7 ½ months; but at least twice each calendar year
4	4 ½ months; but at least twice each calendar year	4 ½ months; but at least four times each calendar year

WestGas InterState failed to patrol its Class 3 location every 7 ½ months, but at least twice each calendar year. During the inspection, a WestGas InterState representative provided patrolling records for August and November, 2015 and June and December in 2016. By failing to inspect its Class 3 location within 7 ½ months prior to August 2015 WestGas Interstate violated §192.705(b).

2. **§192.706 Transmission lines: Leakage surveys.**
Leakage surveys of a transmission line must be conducted at intervals not exceeding 15 months, but at least once each calendar year. However, in the case of a transmission line which transports gas in conformity with § 192.625 without an odor or odorant, leakage surveys using leak detector equipment must be conducted –
- (a) In Class 3 locations, at intervals not exceeding 7 1/2 months, but at least twice each calendar year; and**
 - (b) In Class 4 locations, at intervals not exceeding 4 1/2 months, but at least four times each calendar year.**

WestGas InterState failed to conduct leakage surveys in its Class 3 location at intervals not exceeding 7 ½ months, but at least twice each calendar year in 2015. During the inspection, a WestGas InterState representative provided leakage survey records for August and November 2015 and June and December 2016. By failing to leak survey its Class 3 transmission line which transport gas without an odorant within 7 ½ months prior to August 2015, WestGas Interstate violated §192.706(a).

Proposed Compliance Order

Under 49 U.S.C. § 60122 and 49 C.F.R. § 190.223, you are subject to a civil penalty not to exceed \$209,002 per violation per day the violation persists up to a maximum of \$2,090,022 for a 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 items 1 and 2 pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to WestGas InterState. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

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).

Following the receipt of this Notice, you have 30 days to submit written comments, or request a hearing under 49 C.F.R. § 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 a Final Order. If you are responding to this Notice, we propose that you submit your correspondence to my office within 30 days from receipt of this Notice. This period may be extended by written request for good cause.

In your correspondence on this matter, please refer to **CPF 5-2017-1012** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Dustin Hubbard
Acting Director, Western Region
Pipeline and Hazardous Materials Safety Administration

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

cc: PHP-60 Compliance Registry
PHP-500 G. Ogirima (#155672)

PROPOSED COMPLIANCE ORDER

Pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to WestGas InterState a Compliance Order incorporating the following remedial requirements to ensure the compliance of WestGas InterState with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to patrolling of transmission lines, WestGas InterState must establish and document a tracking system to ensure routine patrolling of the pipeline is performed as required by C.F.R. §192.705(b). Additionally WestGas must provide documentation showing completion within 90 days.
2. In regard to Item Number 2 of the Notice pertaining to leakage surveys of transmission line, WestGas InterState must establish and document a tracking system to ensure routine leak survey of the pipeline is performed as required by C.F.R. §192.705(b). Additionally WestGas must provide documentation showing completion within 90 days
4. It is requested (not mandated) that WestGas InterState maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Dustin Hubbard Acting Director, Western 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.