

## WARNING LETTER

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 19, 2018

Mr. Jeffrey W. Shaw  
Vice President of Regulation & Public Affairs  
Southwest Gas Corporation  
5241 Spring Mountain Road  
P.O. Box 98510  
Las Vegas, Nevada 89193-8510

**CPF 5-2018-1008W**

Dear Mr. Shaw:

On April 24 through 28, 2017, a representative of the Arizona Corporation Commission (ACC), pursuant to Chapter 601 of 49 United States Code, inspected and reviewed records for Southwest Gas Transmission Company's (SGTC), an affiliate of Southwest Gas Corporation, pipeline. This is a 9.5-mile, 20-inch interstate natural gas pipeline in Mohave County, Arizona. The pipeline starts at a connection to El Paso Gas in Arizona and terminates at the Arizona-Nevada border where a SGTC intrastate segment begins.

As a result of the inspection, it is alleged the following probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR) has been committed:

1. **§192.805 Qualification program.**  
**Each operator shall have and follow a written qualification program. The program shall include provisions to:**
  - (a) **Identify covered tasks;**
  - (b) **Ensure through evaluation that individuals performing covered tasks are qualified;**

SGTC's Operator Qualification (OQ) Program pursuant to its procedures and covered task list, identified the Control Room Supervisor as being required to have the same covered task qualifications as the Gas Control Technician. The OQ covered tasks for both the Control Room Supervisor and the Gas Control Technician included SCADA Monitoring, Starting, Operating,

Shut Down, Alarm Management, Opening & Closing Valves, Abnormal Operating Conditions and Communication Plan for Manual Operation.

The ACC representative reviewed the OQ records and discovered that the Control Room Supervisor did not have the proper qualifications according to the procedures and covered task list. During discussions with Control Room personnel, it was disclosed that the Control Room Supervisors are not being OQ qualified on the covered tasks listed above. Based on this information, SGTC was not following its OQ Program.

Under 49 U.S.C. § 60122 and 49 CFR § 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. For violations occurring prior to November 2, 2015, 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.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 5-2018-1008W**. 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,

Kim West  
Director, Western Region  
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry  
PHP-500 H.M. Flaherty (#161967)  
James Lantto, Southwest Gas Corporation, Administrator/Compliance, Engineering Service