

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

September 18, 2019

Mr. Kenneth Grubb
Chief Operating Officer
TransColorado Gas Transmission Co., LLC
1001 Louisiana St., Suite 1000
Houston, TX 77002

CPF 5-2019-1009W

Dear Mr. Grubb:

From July 22 through August 2, 2019, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected your TransColorado Gas Transmission (TCGT) pipeline in Colorado and New Mexico.

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 (CFR). The items inspected and the probable violations are:

1. **§ 192.459 External corrosion control: Examination of buried pipeline when exposed.**

Whenever an operator has knowledge that any portion of a buried pipeline is exposed, the exposed portion must be examined for evidence of external corrosion if the pipe is bare, or if the coating is deteriorated. If external corrosion requiring

remedial action under §§192.483 through 192.489 is found, the operator shall investigate circumferentially and longitudinally beyond the exposed portion (by visual examination, indirect method, or both) to determine whether additional corrosion requiring remedial action exists in the vicinity of the exposed portion.

In September 2017, TransColorado replaced 180 feet of pipeline—the TCGT Blanco to El Paso Interconnect Replacement project. At the time of PHMSA’s inspection, there was no record of an external inspection record in a TransColorado Pipe Examination Report as required by 192.491 and 192.459. The removed pipe was still available for inspection, so during the inspection, TransColorado personnel performed an external inspection per 192.459 that appears to be adequate and no significant corrosion was found.

2. § 192.475 Internal corrosion control: General.

(b) Whenever any pipe is removed from a pipeline for any reason, the internal surface must be inspected for evidence of corrosion. If internal corrosion is found—

(1) The adjacent pipe must be investigated to determine the extent of internal corrosion;

(2) Replacement must be made to the extent required by the applicable paragraphs of §§192.485, 192.487, or 192.489; and

(3) Steps must be taken to minimize the internal corrosion.

In September 2017, TransColorado replaced 180 feet of pipeline—the TCGT Blanco to El Paso Interconnect Replacement project. At the time of PHMSA’s inspection, there was no record of an internal inspection record in a TransColorado Pipe Examination Report as required by 192.491 and 192.475(b). The removed pipe was still available for inspection, so during the inspection, TransColorado personnel performed an internal inspection per 192.475(b) that appears to be adequate and no significant corrosion was found.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed \$213,268 per violation per day, with a maximum penalty not to exceed \$2,132,679. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022. 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. 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 items identified in this letter. Failure to do so will result in TransColorado Gas Transmission Co. 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 5-2019-1009W**. 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,

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

cc: PHP-60 Compliance Registry
PHP-500 C. Allen (#165452)