

## WARNING LETTER

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 3, 2022

Mr. Danny Schedule  
Senior Director  
Midstream Operations  
Florida Power & Light Company  
601 Travis Street, Suite 1900  
Houston, Texas 77002

**CPF 5-2022-013-WL**

Dear Mr. Schedule:

From June 7 through June 11, 2021, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected your control room operations in Houston, Texas.

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. **§ 192.631 Control room management.**
  - (a) ...
  - (e) **Alarm management.** Each operator using a SCADA system must have a written alarm management plan to provide for effective controller response to alarms. An operator's plan must include provisions to:
    - (1) ...
    - (5) **Monitor the content and volume of general activity being directed to and required of each controller at least once each calendar year, but at intervals not to**

**exceed 15 months, that will assure controllers have sufficient time to analyze and react to incoming alarms;**

Florida Power & Light failed to monitor the content and volume of general activity being directed to and required of each controller at least once each calendar year, but at intervals not to exceed 15 months, that will assure controllers have sufficient time to analyze and react to incoming alarms.

During the inspection, Florida Power & Light failed to provide records to demonstrate that it performed the requisite monitoring during 2017.<sup>1</sup>

**2. § 192.631 Control room management.**

**(a) ...**

**(f) *Change management.* Each operator must assure that changes that could affect control room operations are coordinated with the control room personnel by performing each of the following:**

**(1) ...**

**(2) Require its field personnel to contact the control room when emergency conditions exist and when making field changes that affect control room operations;**

Florida Power & Light failed to assure that changes that could affect control room operations are coordinated with the control room by failing to require its field personnel contact the control room when making field changes that affect control room operations.

During the inspection, PHMSA reviewed valve inspection records for 2019 that failed to confirm control room personnel were contacted prior to the inspections.<sup>2</sup>

Specifically, valves inspection records for the following inspections failed to demonstrate the control room was contacted:

- Beechnut CG Pipeline System inspected on June 24, 2019 - eight (8) valves.
- Eldridge CG Pipeline System inspected on June 24, 2019 – six (6) valves.
- Highway 3 City Gate inspected on June 25, 2019 – four (4) valves.
- Sugarland Junction City Gate inspected on June 24, 2019 – seven (7) valves.

**3. § 192.631 Control room management.**

**(a) ...**

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<sup>1</sup> See 192.631(j)(1) (requiring operators to maintain for review during inspections records that demonstrate compliance with the requirements in § 192.631).

<sup>2</sup> Valve inspections involve field changes that affect control room operations.

**(h) Training.** Each operator must establish a controller training program and review the training program content to identify potential improvements at least once each calendar year, but at intervals not to exceed 15 months. An operator's program must provide for training each controller to carry out the roles and responsibilities defined by the operator. In addition, the training program must include the following elements:

**(1) ...**

**(6) Control room team training and exercises that include both controllers and other individuals, defined by the operator, who would reasonably be expected to operationally collaborate with controllers (control room personnel) during normal, abnormal or emergency situations. Operators must comply with the team training requirements under this paragraph by no later than January 23, 2018.**

Florida Power & Light failed to properly conduct team training and exercises that include both controllers and other individuals, defined by the operator, who would reasonably be expected to operationally collaborate with controllers (control room personnel) during normal, abnormal, or emergency situations.

During the inspection, PHMSA reviewed the following records and identified the following deficiencies:

- 2018 team training failed to include other individuals outside of control room personnel. Furthermore, the records failed to indicate what topic(s) were covered or what the training objective included; and
- 2019 - No records of team training could be provided.<sup>3</sup>

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$239,142 per violation per day the violation persists, up to a maximum of \$2,391,142 for a related series of violations. For violation occurring on or after May 3, 2021 and before March 21, 2022, the maximum penalty may not exceed \$225,134 per violation per day the violation persists, up to a maximum of \$2,251,334 for a related series of violations. For violation occurring on or after January 11, 2021 and before May 3, 2021, the maximum penalty may not exceed \$222,504 per violation per day the violation persists, up to a maximum of \$2,225,034 for a related series of violations. For violation occurring on or after July 31, 2019 and before January 11, 2021, the maximum penalty may not 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.

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

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<sup>3</sup> *Id.*

time. We advise you to correct the items identified in this letter. Failure to do so will result in Florida Power & Light 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 5-2022-013-WL**. 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, Office of Pipeline Safety  
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry  
PHP-500 D. Fehling (#21-210179)