NOTICE OF AMENDMENT

OVERNIGHT EXPRESS DELIVERY

March 11, 2021

Mr. Jack Sutton
SVP Operations Services
Golden Triangle Storage, Inc.
10 Peachtree Place Ne
Atlanta, Georgia 30309

CPF 1-2021-006-NOA

Dear Mr. Sutton:

On March 17 and 18, 2020, and October 14, 2020, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Golden Triangle Storage, Inc.'s (GTS) procedures for Underground Natural Gas Storage in Jefferson County, Texas. GTS is a wholly owned subsidiary of Southern Company Gas (SCG).

On the basis of the inspection, PHMSA has identified the apparent inadequacy found within GTS' plans or procedures, as described below:

1. **§ 192.12 - Underground natural gas storage facilities.**

   (a) …

   (c) *Procedural manuals.* Each operator of a UNGSF must prepare and follow for each facility one or more manuals of written procedures for conducting operations, maintenance, and emergency preparedness and response activities under paragraphs (a) and (b) of this section. Each operator must keep records necessary to administer such procedures and review and update these manuals at intervals not exceeding 15 months, but at least once each calendar year. Each operator must keep the appropriate parts of these manuals accessible at locations where UNGSF work is being performed. Each operator must have written procedures in place before commencing operations or beginning an activity not yet implemented.

GTS' written procedures for conducting operations, maintenance, and emergency preparedness and response activities under § 192.12(b)(2) were inadequate. Specifically, GTS' Operations Procedure Manual (OPM) lacked sufficient details for the operation of underground natural gas storage fields with regard to reporting requirements in 49 CFR Part 191. GTS referenced that the reporting requirements were included in SCG's OPM.

During the inspection, the PHMSA inspection team reviewed SCG's OPM. The manual included reporting requirements. The inspection team identified the following elements of the plan, related to reporting requirements, that were inadequate:

- SCG OPM, Div II, Section 5.1.1 defined incidents but did not include Underground Natural Gas Storage Facilities (UNGSF) in the definition. (§ 191.3)
- SCG OPM, Div II, Section 5.8.1 contained procedures for filing annual reports that did not include UNGSF or identified the correct form. (§ 191.17)
- SCG OPM, Div I, Section 1.3 contained procedures for obtaining an Operator Identification Number (OPID) and for notification of changes, but failed to include specific language for UNGSFs in those procedures. (§ 191.22)
- SCG OPM Div II, Section 5.6 did not address safety related conditions for UNGSFs. (§ 191.23)

Therefore, GTS' written procedures were inadequate regarding various reporting requirements found in Part 191. GTS must revise its OPM to address the deficiencies in reporting procedures outlined above.

<u>Response to this Notice</u>

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. Enclosed as part of this Notice is a document entitled Response Options for Pipeline Operators in Enforcement 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, revised procedures, or a request for a hearing under §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 an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that Golden Triangle Storage, Inc. maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Robert Burrough, Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration, 840 Bear Tavern Road, Suite 300, West Trenton, NJ 08628. In correspondence concerning this matter, please refer to **CPF 1-2021-006-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible. Smaller files may be emailed to robert.burrough@dot.gov. Larger files should be sent on USB flash drive accompanied by the original paper copy to the Eastern Region Office.

Sincerely,

Robert Burrough
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

Enclosure: Response Options for Pipeline Operators in Enforcement Proceedings