

WARNING LETTER

OVERNIGHT EXPRESS DELIVERY

March 25, 2021

Mr. Gregg West
Vice President Midstream Operations
Equitrans Midstream Corporation
2200 Energy Drive
Canonsburg, PA 15317

CPF 1-2021-027-WL

Dear Mr. West:

From September 29 – October 2, 2020, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Equitrans Midstream Corporation's (Equitrans) underground natural gas storage facility in Shirley, West Virginia.

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. **§ 192.12 Underground natural gas storage facilities.**
 - (a) ...
 - (b) *Depleted hydrocarbon and aquifer reservoir UNGSFs.*
 - (1) ...
 - (2) **Each UNGSF that uses a depleted hydrocarbon reservoir or an aquifer reservoir for natural gas storage and was constructed on or before July 18, 2017, must meet the provisions of API RP 1171 (incorporated by reference, see §192.7), sections 8, 9, 10, and 11, and paragraph (c) of this section, by January 18, 2018, and must meet all provisions of paragraph (d) of this section by March 13, 2021.**

Equitrans failed to meet the provisions of API RP 1171, Section 9. Specifically, Equitrans failed

to document its monthly storage well inspections in accordance with its written procedures, as required by API RP 1171, Section 9.8.1 (Section 9.8.1).

Section 9.8.1 states that “[i]nspections, tests, patrols, or analyses shall be documented according to the operator’s procedures.”

During the inspection, Equitrans procedures for monthly well inspections were reviewed. The Equitrans Integrity Management Program for Underground Gas Storage (SIMP), Section 5.2, addressed monthly storage well inspections. This section noted 13 specific items in the monthly well inspections that are to be noted and recorded.

Equitrans personnel also demonstrated DataSplice, the field data logging application. The team observed 6 inspection items in the DataSplice field application that were noted and recorded as part of the monthly inspections. Seven (7) of the items were not explicitly noted and recorded. Thus, the inspection records fail to document all 13 items to be performed in the monthly well inspections required by its SIMP.

Therefore, Equitrans failed to meet the provisions of Section 9.8.1.

2. § 192.12 Underground natural gas storage facilities.

(a) ...

(b) *Depleted hydrocarbon and aquifer reservoir UNGSFs.*

(1) ...

(2) Each UNGSF that uses a depleted hydrocarbon reservoir or an aquifer reservoir for natural gas storage and was constructed on or before July 18, 2017, must meet the provisions of API RP 1171 (incorporated by reference, see §192.7), sections 8, 9, 10, and 11, and paragraph (c) of this section, by January 18, 2018, and must meet all provisions of paragraph (d) of this section by March 13, 2021.

Equitrans failed to meet the provisions of API RP1171, Section 11. Specifically, Equitrans failed to develop and implement O&M procedures covering storage wells and reservoirs prior to the commissioning operations set forth in Section 7 [of API RP 1171], as required by API RP 1171, Section 11.3.1 (Section 11.3.1).

Procedures are made available to Equitrans Midstream personnel through the company's SharePoint site, and are provided to contractors upon request (by email).

The inspection team reviewed the following procedures on SharePoint:

- STR-03, *Monthly Inspection of Storage Wells*. The effective date and the revision date were not noted.
- STR-04, *Well Entry*. The effective date and the revision date were not noted.
- STR-06, *P/A Storage Well Inspection*. The effective date noted for this procedure was 5-13-20.

Some of the procedures housed on the SharePoint site and made available to company personnel,

and described as the official copies, were undated.

The lack of effective dates on the procedures did not establish that the procedures were developed and implemented prior to the effective date of the final rule, or were the current editions.

Therefore, Equitrans failed to meet the provisions of Section 11.3.1.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to 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 time. We advise you to correct the items identified in this letter. Failure to do so will result in Equitrans Midstream Corporation 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 1-2021-027-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,

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