

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: stanley_chapman_iii@tcenergy.com

July 16, 2021

Mr. Stan Chapman
Executive Vice President & President, US Pipelines
ANR Pipeline Company
700 Louisiana Street, Suite 700
Houston, Texas 77002

CPF 1-2021-051-NOA

Dear Mr. Chapman:

From April 12 through April 16, 2021, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected ANR Pipeline Company's (ANR) natural gas pipeline operation and maintenance procedures. ANR is the primary OPID in its safety program relationship (SPR) for the following OPIDs: 993, 2616, 2620, 6660, 13769, 15014, 30838, 31145, 31891, 32487, and 39542.

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

1. § 192.605 Procedural manual for operations, maintenance, and emergencies.

(a) *General.* Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

ANR's procedural manual failed to sufficiently describe a process to review and update the

procedural manual, and was therefore inadequate to comply with the requirements of § 192.605(a). Specifically, ANR's *Operations & Maintenance Manual – U.S. Natural Gas Pipelines and Underground Natural Gas Storage Facilities*, dated 03/16/21 (O&M Manual) failed to explicitly incorporate or reference ANR's *Operations and Maintenance Manual Review Process*, dated 04/07/2021 (O&M Review Procedure).

During the inspection, the PHMSA inspectors requested ANR's O&M Manual review procedures. ANR provided its O&M Manual, referencing Section 192.605(a) therein, and its separate O&M Review Procedure. When the PHMSA inspectors asked how the O&M Review Procedure is incorporated to the O&M Manual, ANR personnel stated, "This is not currently in the O&M manual it is a separate document but will be considered to be included in the future." Furthermore, the O&M Manual failed to include a process for including all operation and maintenance manual referenced documents into the annual review.

Therefore, ANR failed to include an adequate process to review and update the operations and maintenance manual, in accordance with § 192.605(a). ANR must revise its procedures to adequately address this requirement.

2. § 192.605 Procedural manual for operations, maintenance, and emergencies.

(a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

ANR's procedures for conducting emergency response activities failed to specify the appropriate review interval not exceeding 15 months, and were therefore inadequate to comply with § 192.605(a). Specifically, ANR's *Emergency Management Corporate Program Manual*, dated 12/03/20 (ERP Procedure) stated that ANR may modify the manual at any frequency during the calendar year, but the manual will be reviewed at least annually. ANR's ERP Procedure failed to require a review within the 15-month interval. ANR did not provide any additional procedure related to the review interval. When the PHMSA inspectors asked if there were additional procedures or guidance related to the review frequency of the emergency response plans, ANR did not provide a response.

Therefore, ANR failed to adequately address the requirement to review and update its emergency response procedures at intervals not exceeding 15 months, but at least once each calendar year, in accordance with § 192.605(a). ANR must revise its procedures to address this requirement.

3. § 192.605 Procedural manual for operations, maintenance, and emergencies.

(a) ...

(b) Maintenance and normal operations. The manual required by

paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.

(1) ...

(3) Making construction records, maps, and operating history available to appropriate operating personnel.

ANR's procedural manual failed to include a process which makes construction records, maps, and operating history available to appropriate operating personnel, and was therefore inadequate to comply with § 192.605(b)(3). During the inspection, the PHMSA inspectors requested ANR's procedure regarding § 192.605(b)(3). ANR provided the O&M Manual and referenced its Section 192.605(b)(3) therein. The O&M Manual - Section 192.605(b)(3) required that construction project managers ensure that maps and records are accessible to personnel and that revisions are submitted as necessary.

During the inspection ANR discussed a process related to how technicians and managers gain and maintain access to internal databases as well as record availability, but stated this process is not documented in the O&M Manual.

Therefore, ANR failed to include a process which makes construction records, maps, and operating history available to appropriate operating personnel, in accordance with § 192.605(b)(3). ANR must revise its procedures to adequately address this requirement.

4. § 192.605 Procedural manual for operations, maintenance, and emergencies.

(a) ...

(b) *Maintenance and normal operations.* The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.

(1) ...

(8) Periodically reviewing the work done by operator personnel to determine the effectiveness, and adequacy of the procedures used in normal operation and maintenance and modifying the procedures when deficiencies are found.

ANR's procedural manual failed to provide details to periodically review the work done by operator personnel to determine the procedures' effectiveness and was therefore inadequate to comply with § 192.605. Specifically, Section 192.605(b)(8) and Appendix B of the O&M Manual stated that procedures used in normal operations and maintenance that have not been subject to a review within the last three years are identified and reviewed. The O&M Manual failed to include a process requiring that ANR conduct periodic reviews of work done by operator personnel to determine the effectiveness and adequacy of the procedures. Furthermore, the O&M Manual failed to include a process for how ANR will modify the procedures when deficiencies are found.

During the inspection, ANR stated, "[t]here is not a documented process for O&M effectiveness reviews and correction of deficiencies other than the procedure reviews and changes to the revision history."

Therefore, ANR failed to include details in its procedures to periodically review the work done by operator personnel to determine the effectiveness of the procedures, in accordance with § 192.605(b)(8). ANR must revise its procedures to address this requirement.

5. § 192.605 Procedural manual for operations, maintenance, and emergencies.

(a) ...

(d) *Safety-related condition reports.* The manual required by paragraph (a) of this section must include instructions enabling personnel who perform operation and maintenance activities to recognize conditions that potentially may be safety-related conditions that are subject to the reporting requirements of §191.23 of this subchapter.

ANR's procedural manuals failed to include instructions enabling personnel to recognize safety-related conditions (SRCs) subject to § 191.23, and were therefore inadequate under § 192.605(d). Specifically, ANR's O&M Manual and *January 2021 NETT Schedule and New Employee Technical Training- Compliance Module* (SRC Training Procedures) did not provide any instructions enabling personnel who perform operation and maintenance activities to recognize conditions that potentially may be SRCs.

During the inspection, the PHMSA inspectors requested ANR's procedure regarding recognizing safety related conditions. ANR provided the O&M Manual and referenced Section 191.23 therein.

When the PHMSA inspectors re-requested procedures related to recognizing safety related conditions, ANR stated, "SRC training is included in on-board training for personnel." ANR provided SRC Training Procedures. However, these documents were not referenced or incorporated into the O&M Manual. Furthermore, the SRC Training Procedures failed to provide any further guidance or instruction related to recognition of safety-related conditions.

Therefore, ANR failed to include instructions in its procedures to enable personnel to recognize conditions that potentially may be safety-related conditions in accordance with § 192.605(d). ANR must revise its procedures to address this requirement.

6. § 192.907 What must an operator do to implement this subpart?

(a) *General.* No later than December 17, 2004, an operator of a covered pipeline segment must develop and follow a written integrity management program that contains all the elements described in § 192.911 and that addresses the risks on each covered transmission pipeline segment. The initial integrity management program must consist, at a minimum, of a framework that describes the process for implementing each program element, how relevant decisions will be made and by whom, a time line for completing the work to implement the program element, and how information gained from experience will be continuously incorporated into the program. The framework will evolve into a more detailed and comprehensive program. An operator must make continual improvements to the program.

ANR's Integrity Management Program (IMP) failed to require the operator to notify OPS of any

change to the program that may substantially affect its implementation or significantly modify the program or schedule for carrying out the program elements in accordance with § 192.909(b), and was therefore inadequate to comply with § 192.907(a). Under § 192.909(b), an operator must “notify OPS, in accordance with §192.18, of any change to the program that may substantially affect the program's implementation or may significantly modify the program or schedule for carrying out the program elements. An operator must provide notification within 30 days after adopting this type of change into its program.” Specifically, ANR’s O&M Manual and *US-Gas-IMP US Onshore Gas Pipeline Integrity Management Program*, dated 04/01/21 (IMP Manual) failed to include procedures requiring the operator to notify PHMSA’s Office Pipeline Safety (OPS) within 30 days after adopting any change that may substantially affect the program’s implementation or which may significantly modify the program or schedule.

During the inspection, the PHMSA inspectors requested ANR’s procedure regarding § 192.909. ANR provided the O&M Manual and referenced Section 192.18 therein. However, the O&M Manual did not include the § 192.909 requirements. Furthermore, ANR provided the IMP Manual and referenced Section 13.4.1 therein. Section 13.4.1 of the IMP Manual stated that changes to the integrity management program are made in accordance with the regulation.

However, the IMP Manual failed to state that the operator must notify OPS within 30 days after adopting any change that may substantially affect the program’s implementation or which may significantly modify the program or schedule.

Therefore, ANR failed to include adequate details in its integrity management procedures requiring notification to OPS within 30 days after adopting any change that may substantially affect the program’s implementation, in accordance with § 192.909(b). ANR must revise its procedures to address this requirement.

Response to this Notice

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 ANR Pipeline Company's 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 1-2021-051-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