

WARNING LETTER

OVERNIGHT EXPRESS DELIVERY

September 14, 2021

Mr. Ramon Harris
Vice President
National Fuel Gas Supply Corporation
6363 Main Street
Williamsville, NY 14221

CPF 1-2021-058-WL

Dear Mr. Harris:

From March 23, 2020 to May 27, 2021, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) and the New York Department of Public Service (NYDPS), acting as interstate agent of PHMSA, pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected National Fuel Gas Supply Corporation's (NFG) procedures, records, and facilities at multiple locations in Pennsylvania and New York.

As a result of the inspection/investigation, it is alleged that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The item inspected and the probable violation is:

1. **§ 192.465 External corrosion control: Monitoring.**
 - (a) **Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of § 192.463. However, if tests at those intervals are impractical for separately protected short sections of mains or transmission lines, not in excess of 100 feet (30 meters), or separately protected service lines, these pipelines may be surveyed on a sampling basis. At least 10 percent of these protected structures, distributed over the entire system must be surveyed each calendar year, with a different 10 percent checked each subsequent year, so that the entire system is tested in each 10-year period.**

NFG failed to test each pipeline under cathodic protection at least once calendar year, not to exceed 15 months, to determine whether the cathodic protection met the requirements of § 192.463.

During the inspection, the inspection team reviewed cathodic protection testing records for Line ECW569, Corrosion Device IDs 29651 and 29652. The records indicated that NFG tested the two Corrosion Device IDs (test stations) for adequacy of cathodic protection on the 1742-foot steel segment on 12/16/2015, and not again until 1/9/2017. NFG could not provide any record of conducting cathodic protection monitoring tests at these test stations during calendar year 2016.

Therefore, NFG failed in 2 instances to test a pipeline under cathodic protection at least once each calendar year, as required by § 192.465(a).

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to 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 time. We advise you to correct the item identified in this letter. Failure to do so will result in National Fuel Gas Supply 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 1-2021-058-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