

WARNING LETTER

VIA ELECTRONIC MAIL TO: GWest@equitransmidstream.com

February 22, 2022

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

CPF 1-2022-012-WL

Dear Mr. West:

From June 14, 2021 through June 17, 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 Equitrans Midstream Corporation's (EQT) Pratt Storage Field located in Greene County, Pennsylvania.

As a result of the inspection, 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. **§ 192.12 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.**

EQT failed to meet the provisions of API RP 1171, Section 9. Specifically, during 2018 through

2019 EQT failed to test the operation of the master valves at least annually for proper function and ability to isolate the wells, as required by API RP 1171 Section 9.3.2¹ (Section 9.3.2). This occurred at 331 well locations throughout 18 EQT storage facilities in Pennsylvania, including the Pratt Storage Field.

According to records reviewed by PHMSA during the inspection, a review of EQT's master gate valve inspections on storage wells in Pennsylvania were first performed by EQT in 2020. EQT personnel stated that prior to 2020, the inspections did not include the master gate valves on storage wells in Pennsylvania. Storage wells located outside Pennsylvania were not affected. According to EQT personnel, prior to the Underground Natural Gas Storage (UNGS) regulations, master gates on wells in Pennsylvania were not considered emergency valves and were not inspected as part of the annual inspections. Only the side-gate valves were classified as "emergency" valves at that time and inspected to 49 CFR Part 192 requirements. With the onset of the UNGS regulations that came into effect January 18, 2018, the Maximo Database System, which is used by EQT to monitor and maintain inspection records throughout the company, was not updated to include the master-gates in Pennsylvania as assets requiring annual inspections per the new regulations. During 2020, actions were taken by EQT midstream to correct these deficiencies within the Maximo System and inspections were performed including master-gate valves at all well locations throughout the State.

Therefore, EQT failed to meet the provisions of Section 9.3.2 from 2018 through 2019 for 331 wells at 18 storage facilities within Pennsylvania.

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 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 1-2022-012-WL**. Be advised that all material you submit in response to this enforcement

¹ API RP 1171, Section 9.3.2 Well Integrity Monitoring states in part that "[t]he operator shall test the operation of the master valve and wellhead pipeline isolation valve at least annually for proper function and ability to isolate the well."

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