



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials
Safety Administration**

840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628
609.771.7800

WARNING LETTER

OVERNIGHT EXPRESS DELIVERY

March 15, 2022

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

CPF 1-2022-029-WL

Dear Mr. West:

From October 13, 2020, through July 15, 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 (ETRN) Tepe, Finleyville, and Webster Underground Natural Gas Storage Fields in Pennsylvania.

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.**

ETRN failed to meet the provisions of API RP1171, Section 9. Specifically, ETRN failed to demonstrate that wellhead assemblies are monitored for leaks as required under API 1171, Section 9.3.2.

Section 9.3.2 states “The operator shall visually inspect each wellhead assembly at least annually for leaks.”

During the inspection, ETRN stated that visual inspections are conducted in conjunction with the annulus gas inspections. However, the results of the wellhead leak inspections are not captured in the record keeping database system (MAXIMO) due to a lack of fields to enter the data. No records were available to demonstrate compliance. ETRN also indicated that MAXIMO is being updated to better reflect the actual work/inspections being done in the field.

Therefore, ETRN failed to meet the provisions of Section 9.3.2.

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.**

ETRN failed to meet the provisions of API RP 1171, Section 8. Specifically, ETRN failed to provide adequate documentation of the risk evaluation and decision basis for preventative and mitigative (P&M) measures, as required by API RP 1171, Section 8.5.2.

Section 8.5.2 states “The operator shall review the results of the risk assessment to determine whether the risk assessment, resulting prioritization, or ranking represents its facilities and characterizes the risks. Review may be performed by personnel familiar with storage operations, risk management, and methods or analyzing risk and results.”

During the inspection, assessment reviews were reviewed from 2018, 2019, and 2020. ETRN stated that risk assessment reviews consist of monthly and annual meetings and review of data as it becomes available. ETRN was unable to provide adequate documentation of the risk assessment reviews. No assessment review documentation, such as attendance sheets, meeting minutes, or reviewer logs were provided.

Therefore, ETRN failed to meet the provisions of Section 8.5.2.

3. **§ 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.**

ETRN failed to meet the provisions of API RP1171, Section 9. Specifically, ETRN failed to test its master and wellhead pipeline isolation valves for proper function and ability to isolate the well pursuant to API RP 1171, Section 9.3.2 (Section 9.3.2).

Section 9.3.2 requires the operator to test the operation of the master valve and wellhead pipeline isolation valve for proper function and the ability to isolate the well.

During the inspection, ETRN stated that the master valve and wellhead pipeline isolation valve(s) are only partially operated during valve inspections on storage wells. It is PHMSA's position that these valves must be fully operated (full open/full closed) to demonstrate the proper function of the valve and the ability to isolate the well.

Therefore, ETRN failed to meet the provisions of Section 9.3.2 regarding testing the operation of its wellhead valves.

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 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 1-2022-029-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,

A handwritten signature in blue ink, appearing to read "Robert Burrough".

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