

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED COMPLIANCE ORDER**

OVERNIGHT EXPRESS DELIVERY

November 3, 2022

Mr. Stanley Chapman
Executive Vice President, US & Mexico Natural Gas Pipelines
Tuscarora Gas Transmission Company
700 Louisiana Street
Houston, Texas 77002

CPF 1-2022-070-NOPV

Dear Mr. Chapman:

From May 3, 2022 to May 4, 2022, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Tuscarora Gas Transmission Company's (Tuscarora) meter stations in Nevada.

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. § 192.605 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.

Tuscarora failed to follow its manual of written procedures for conducting operations and maintenance activities. Specifically, Tuscarora failed to tighten stud bolts on flange joints at the Spanish Springs Meter Station (Washoe County, NV), Tracy 01 Meter Station (Storey County, NV), and the Tracy CC Delivery Meter Station (Storey County, NV) in accordance with its written specification.

During the inspection, PHMSA observed numerous instances of stud bolts that were installed on flange assemblies that failed to extend a minimum of one to three threads or 1.5 times the diameter of the stud bolts past the nut on each side of the flange, based on method of installation. This practice was required by Tuscarora's *TransCanada Engineering Specification: TES-ME-FBT-GL Flange Bolt Tightening Specification* (CAN-US-MEX)(EDMS No.: 006489784, Rev.: 04 and Effective Date: 2017-Sep-01), Sections 3.6.1 and 3.6.3 (Flange Bolt Tightening Specification), which applies to the tightening of both new and existing flange bolts in its system.

Therefore, Tuscarora failed to follow its manual of written procedures regarding flange bolt tightening, as required by § 192.605(a).

Proposed Compliance Order

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$239,142 per violation per day the violation persists, up to a maximum of \$2,391,142 for a related series of violations. For violation occurring on or after May 3, 2021 and before March 21, 2022, the maximum penalty may not 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 propose a civil penalty assessment at this time.

With respect to item 1, pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Tuscarora Gas Transmission Company. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Response to this Notice

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, or request a hearing under 49 CFR § 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 a Final Order. If you are responding to this Notice, we propose that you submit your correspondence to my office within 30 days from receipt of this Notice. This period may be extended by written request for good cause.

In your correspondence on this matter, please refer to **CPF 1-2022-070-NOPV** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Enforcement Proceedings

PROPOSED COMPLIANCE ORDER

Pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Tuscarora Gas Transmission Company (Tuscarora) a Compliance Order incorporating the following remedial requirements to ensure the compliance of Tuscarora with the pipeline safety regulations:

- A. In regard to Item 1 of the Notice pertaining to Tuscarora Gas Transmission Company failing to tighten its stud bolts on flange joints at the Spanish Springs Meter Station, Tracy 01 Meter Station, and the Tracy CC Delivery Meter Station in accordance with Tuscarora's Flange Bolt Tightening Specification, Tuscarora must replace the stud bolts that were improperly installed at the Spanish Springs Meter Station, Tracy 01 Meter Station and Tracy CC Delivery Meter Station with stud bolts that meet the requirements of Tuscarora's Flange Bolt Tightening Specification within **270** days of receipt of the Final Order.
- B. It is requested (not mandated) that Tuscarora Gas Transmission Company maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Robert Burrough, Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.