

NOTICE OF AMENDMENT

OVERNIGHT EXPRESS DELIVERY

February 2, 2023

David P. Bauer
President and Chief Executive Officer
National Fuel Gas Supply Corporation
6363 Main Street
Williamsville, New York 14221

CPF 1-2023-004-NOA

Dear Mr. Bauer:

On September 14, 2022, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected National Fuel Gas Supply Corporation's (NFG) Operations and Maintenance (O&M) procedures as part of an inspection of Special Permit PHMSA-2017-0090 in Kane, Pennsylvania.

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

1. § 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) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part.

NFG's manual of written procedures were inadequate to ensure safe operation of a pipeline facility. Specifically, NFG's procedures required by § 192.605(b)(1) failed to provide meaningful guidance as to where warning signs to prevent accidental ignition as required by § 192.751(c)¹ are to be posted.

During the inspection, PHMSA reviewed NFG's O&M, Section 2.12 Prevention of Accidental

Ignition, A.6 and NFG's guidance found in the Engineering Design Manual (Design Manual) Section 4.27 SECURITY / PROTECTION / FENCING / GATES, D.1.a.1: Signage. The O&M and Design Manual failed to provide sufficient detail regarding where signage meeting the requirements of § 192.751(c) should be placed along the pipeline rights-of-way at fenced above ground facilities where the public may come in close proximity and be subject to potential situations where accidental ignition could occur.

Therefore, NFG's manual of written procedures required by § 192.605(b)(1) were inadequate for failing to provide sufficient detail regarding placement of signs required by § 192.751(c). NFG 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 National Fuel Gas Supply Corporation 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 1-2023-004-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

¹ §192.751 Prevention of accidental ignition.

Each operator shall take steps to minimize the danger of accidental ignition of gas in any structure or area where the presence of gas constitutes a hazard of fire or explosion, including the following:

(a) ...

(c) Post warning signs, where appropriate.