

WARNING LETTER

OVERNIGHT EXPRESS DELIVERY

February 16, 2023

Mr. Stanley Chapman III
Executive Vice President & President US & Mexico Natural Gas
Columbia Gas Transmission, LLC
700 Louisiana Street
Houston, Texas 77002

CPF 1-2023-017-WL

Dear Mr. Chapman:

From March 14, 2022 through October 17, 2022 a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) conducted an integrated inspection of Columbia Gas Transmission, LLC's (Columbia) records and facilities in West Virginia, Ohio, Pennsylvania and Maryland.

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. § 192.605 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.

Columbia failed to review its *Tier 3 Emergency Response Plan Maintenance* operating procedure, published date 2020/04/01 (Tier 3 Procedure) at least once each calendar year, not to exceed 15 months in accordance with § 192.605(a).

Columbia's USGO Emergency Response Plan (US) (USGO ERP), section 1.2.3 directed a site-specific regional emergency preparedness team to maintain Tier 3 documents in accordance with the Tier 3 Procedure, with a direct link being provided within the USGO ERP to the Tier 3 Procedure. The Tier 3 Procedure is identified in its heading as part of the TC Energy Operating Procedures and identifies the driver of the procedure to be regulatory. The Section 1 Purpose identifies that the development and maintenance of Columbia's Tier 3 Emergency Response Procedures is an element of ensuring preparedness for emergencies. Section 2 Scope of the Tier 3 Procedure identifies it as a procedure applying to all TC Energy operated pipelines and facilities.

During the inspection, Columbia personnel stated that they believed that the Tier 3 Procedure is not subject to the annual review requirement or considered part of the Emergency Response Plan because it only includes step by step instructions on how to create the Tier III Emergency Plan documents. However, the Tier 3 Procedure is an operating procedure that also includes specific ERP maintenance procedure requirements, including the "who, what, when, where, which and how" Columbia will comply with the annual review and update requirements of § 192.605(a) for its emergency response procedures.

Therefore, the Tier 3 Procedure is an operating procedure and Columbia failed to follow the § 192.605(a) requirement to review and update the procedure at intervals not exceeding 15 months, but at least once each calendar year.

2. § 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.

Columbia failed to follow its manual of written procedures. Specifically, Columbia failed to follow its *Cathodic Protection Survey Inspection (US) Procedure, dated 08/02/2022* (CP Procedure) for annual casing readings for Pipeline EWV at the railroad location adjacent to the Ohio River on the West Virginia side of the Ohio River, in accordance with § 192.605(a).

Columbia's CP procedure identified that readings should be taken annually at casings. During the field inspections conducted during the week of 08/29/22 PHMSA observed that Columbia was missing a casing vent at the railroad location adjacent to the Ohio River on the West Virginia side of the Ohio River. Columbia discussed that the annual reading task was erroneously discontinued after the 2012 annual survey for unknown reasons.

Therefore, Columbia failed to follow its manual of written procedures for annual casing readings, in accordance with § 192.605(a).

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$257,664 per violation per day the violation persists, up to a maximum of \$2,576,627 for a related series of violations. For violation occurring on or after March 21, 2022, and before January 6, 2023, the maximum penalty may not 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 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 Columbia Gas Transmission, LLC 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 1-2023-017-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

Cc: Daniel Cerkoney <dan_cerkoney@tcenergy.com>
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