



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials
Safety Administration**

840 Bear Tavern Road, Suite 300
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609.771.7800

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

VIA ELECTRONIC MAIL TO: david_brast@tcenergy.com

February 13, 2026

David Brast
President/Chief Executive Officer
ANR Pipeline Company
700 Louisiana St.
Houston, TX 77002

CPF 1-2026-032-NOPV

Dear Mr. Brast:

From August 12 through August 13, 2025, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected ANR Pipeline Company's (ANR) Muttonville underground natural gas storage facility (UNGSF) in Troy, Michigan.¹

As a result of the inspection, it is alleged that ANR has 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) ...

¹ ANR Pipeline is a subsidiary of TC Energy.

(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.

ANR failed to meet the provisions of API RP 1171 section 9 in accordance with section 192.12(b)(2). Specifically, for all 17 wells at the Muttonville UNGSF, ANR failed to perform annual master valve function tests from 2023 through 2025 and annual master valve isolation tests from 2021 through 2025 in accordance with section 9.3.2 in API RP 1171.

Section 9.3.2 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.”

In addition, ANR’s procedures, including the *TC Energy Operations and Maintenance Manual-U.S. Natural Gas Pipelines and Underground Natural Gas Storage Facilities, Rev. 40* (11/03/2025) (O&M), Table 192.12, section 9.3.2 stated that the “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.”

During the inspection, PHMSA reviewed ANR’s records of wellhead valve testing. The *Muttonville Master Valve Data Spreadsheet for 2021-2025* (Records) indicated that ANR failed to perform annual master valve function tests from 2023 through 2025 and annual master valve isolation tests from 2021 through 2025 for all 17 wells due to subsurface safety valve tubing present through the master valve. In the Records for the 2021 attempted master valve isolation testing, ANR admitted that it could not test the master valve noting that it “[c]an’t close wellhead valve due to safety valve tubing.” While the Records demonstrated that ANR tested other valves (such as the subsurface safety valve or pipeline isolation valve), these tests do not replace or satisfy the section 9.3.2 requirement to function test and verify the isolation capability of the master valve.

Therefore, ANR failed to meet the provisions of API RP 1171 section 9 in accordance with section 192.12(b)(2).

Proposed Civil Penalty

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$272,926 per violation per day the violation persists, up to a maximum of \$2,729,245 for a related series of violations. For violation occurring on or after December 28, 2023 and before December 30, 2024, the maximum penalty may not exceed \$266,015 per violation per day the violation persists, up to a maximum of \$2,660,135 for a related series of violations. For violation occurring

on or after January 6, 2023 and before December 28, 2023, the maximum penalty may not 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 \$2,391,412 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.

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. Proposed Compliance Order

Proposed Compliance Order

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 ANR Pipeline 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. All material you submit in response to this enforcement action may be 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 your receipt of this Notice, you have 30 days to respond as described in the enclosed *Response Options*. 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. The Region Director

may extend the period for responding upon a written request timely submitted demonstrating good cause for an extension.

In your correspondence on this matter, please refer to **CPF 1-2026-032-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 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to ANR Pipeline Company (ANR) a Compliance Order incorporating the following remedial requirements to ensure the compliance with the pipeline safety regulations:

- A. In regard to Item 1 of the Notice, ANR must, for the 17 wellheads at Muttonville underground natural gas storage facility, test the operation of the master valves for proper function and ability to isolate the well and provide records of the testing to the Director, Eastern Region, within **365** days of receipt of the Final Order.
- B. It is requested (not mandated) that ANR Pipeline 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.