

May 12, 2021

VIA ELECTRONIC MAIL TO: francois_poirier@tcenergy.com

Mr. Francois Poirier
President and Chief Executive Officer
TC Energy Corporation
450 1st Street SW
Calgary, Alberta T2P 5H1

Re: CPF No. 3-2020-1012

Dear Mr. Poirer:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation, assesses a civil penalty of \$252,900, and specifies actions that need to be taken to comply with the pipeline safety regulations. When the civil penalty has been paid and the terms of the compliance order are completed, as determined by the Director, Central Region, this enforcement action will be closed. Service of the Final Order by electronic mail is effective upon the date of transmission as provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosures (Final Order and NOPV)

cc: Mr. Gregory Ochs, Director, Central Region, Office of Pipeline Safety, PHMSA
Mr. Stanley Chapman III, Executive Vice President and President, U.S. Natural Gas
Pipelines, TC Energy, stanley_chapman_iii@tcenergy.com
Mr. Lee Romack, Director, U.S. Regulatory Compliance, TC Energy,
lee_romack@tcenergy.com
Ms. Wendy West, Vice President, Safety, Quality & Compliance, TC Energy,
wendy_west@tcenergy.com

CONFIRMATION OF RECEIPT REQUESTED

	)	
In the Matter of	)	
	)	
ANR Pipeline Company,	)	CPF No. 3-2020-1012
a subsidiary of TC Energy Corp.,	)	
	)	
Respondent.	)	
	)	

On March 12, 2021, pursuant to 49 C.F.R. § 190.207, the Director, Central Region, Office of Pipeline Safety (OPS), issued an Amended Notice of Probable Violation (Notice) to ANR Pipeline Company (Respondent).¹ The Notice proposed finding that Respondent had violated the pipeline safety regulations in 49 C.F.R. Part 192 and proposed a civil penalty of \$252,900. The Notice also proposed certain measures to correct the violations. Respondent did not contest the allegations of violation, corrective measures, or proposed civil penalty.

49 C.F.R. § 192.163(d) (**Item 1**) — Respondent failed to have a gate located within 200 feet (61 meters) of any compressor plant building that opened outward and, when occupied, was openable from the inside without a key;

49 C.F.R. § 192.605(a) (**Item 3**) — Respondent failed to prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response;

¹ ANR Pipeline Company is a wholly-owned subsidiary of TC Energy Corporation.

the extent it can be ascertained from available records; the operating and maintenance history of the segment; the maximum actual operating pressure and the corresponding operating hoop stress, taking pressure gradient into account, for the segment of pipeline involved; and the actual area affected by the population density increase, and physical barriers or other factors which may limit further expansion of the more densely populated area, whenever an increase in population density indicates a change in class location for a segment of an existing steel pipeline operating at hoop stress that is more than 40 percent of SMYS, or indicates that the hoop stress corresponding to the established maximum allowable operating pressure for a segment of existing pipeline is not commensurate with the present class location;

49 C.F.R. § 192.705(a) (**Item 5**) — Respondent failed to have a patrol program to observe surface conditions on and adjacent to the transmission line right-of-way for indications of leaks, construction activity, and other factors affecting safety and operation;

49 C.F.R. § 192.735(a) (**Item 6**) — Respondent failed to store flammable or combustible materials in quantities beyond those required for everyday use, or other than those normally used in compressor buildings, a safe distance from the compressor building;

49 C.F.R. § 192.905(b)(1) (**Item 7**) — Respondent failed to identify an identified site, for purposes of subpart O, from information the operator has obtained from routine operation and maintenance activities and from public officials with safety or emergency response or planning responsibilities who indicate to the operator that they know of locations that meet the identified site criteria; and

49 C.F.R. § 192.935(a) (**Item 8**) — Respondent failed to conduct, in accordance with one of the risk assessment approaches in ASME/ANSI B31.8S (incorporated by reference, see § 192.7), section 5, a risk analysis of its pipeline to identify additional measures to protect the high consequence area and enhance public safety.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent. In accordance with 49 C.F.R. § 190.223, I assess Respondent a total civil penalty of **\$252,900**.

Payment of the civil penalty must be made within 20 days of service. Federal regulations (49 C.F.R. § 89.21(b)(3)) require such payment to be made by wire transfer through the Federal Reserve Communications System (Fedwire), to the account of the U.S. Treasury. Detailed instructions are contained in the enclosure. Questions concerning wire transfers should be directed to: Financial Operations Division (AMK-325), Federal Aviation Administration, Mike Monroney Aeronautical Center, 6500 S MacArthur Blvd, Oklahoma City, Oklahoma 79169. The Financial Operations Division telephone number is (405) 954-8845.

Failure to pay the \$252,900 civil penalty will result in accrual of interest at the current annual rate in accordance with 31 U.S.C. § 3717, 31 C.F.R. § 901.9 and 49 C.F.R. § 89.23. Pursuant to those same authorities, a late penalty charge of six percent (6%) per annum will be charged if payment is not made within 110 days of service. Furthermore, failure to pay the civil penalty may result in referral of the matter to the Attorney General for appropriate action in a district court of the United States.

COMPLIANCE ACTIONS

Pursuant to 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the actions proposed in the enclosed Notice to correct the violations. The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent and demonstrating good cause for an extension. Upon completion of ordered actions, Respondent may request that the Director close the case. Failure to comply with this Order may result in the assessment of civil penalties under 49 C.F.R. § 190.223 or in referral to the Attorney General for appropriate relief in a district court of the United States.

The terms and conditions of this order are effective upon service in accordance with 49 C.F.R. § 190.5.

May 12, 2021

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Date Issued