



March 28, 2022

Mr. Gregory A. Ochs
Director, Central Region
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
901 Locust Street, Suite 462
Kansas City, MO 64106

**Re: CPF No. 3-2022-017-NOPV
Response to NOPV – Tallgrass Interstate Gas Transmission, LLC**

Dear Mr. Ochs:

The Pipeline and Hazardous Materials Safety Administration (PHMSA or the Agency) issued a Notice of Probable Violation (NOPV), proposed civil penalty, and proposed compliance order (PCO) to Tallgrass Interstate Gas Transmission, LLC (TIGT) on January 11, 2022. The NOPV alleges seven (7) violations of the federal pipeline safety regulations at Part 192. On February 4, 2022, PHMSA granted an extension to Tallgrass MLP Operations on behalf of TIGT (Tallgrass or the Company) to allow Tallgrass to respond to the NOPV by March 28, 2022, and, therefore, this response is timely.

Tallgrass shares PHMSA's commitment to pipeline safety and is committed to maintaining the safe operation of its pipeline assets in compliance with the federal pipeline safety regulations. With that commitment in mind, in the interest of cooperation and without admission, Tallgrass is contesting a single allegation in the NOPV, Item 5, which alleges that Tallgrass failed to comply with its procedures related to inspections of pressure limiting and relief devices. Tallgrass believes that this allegation is based on a misunderstanding of its processes and procedures. As to the remaining six (6) of the seven (7) alleged violations identified in the NOPV, Tallgrass without admission has elected not to contest them and provides a written response to clarify some of the factual issues underlying the NOPV and to request certain adjustments to the associated PCO obligations for Items 2, 3 and 4, including confirmation that some of the obligations have already been addressed. Tallgrass also expressly reserves the right to discuss any jurisdictional issues as appropriate.

Tallgrass respectfully requests the opportunity to convene an informal settlement meeting with PHMSA to discuss and resolve NOPV Item 5, address factual clarifications, and confirm PCO obligations for Items 2, 3 and 4, some of which the Company has already completed. In the event that the parties are unable to resolve the NOPV, however, and in order to preserve Tallgrass's rights, the Company is, without admission, requesting a hearing on Item 5 pursuant to 49 C.F.R. §§ 190.208 and 190.211. Tallgrass respectfully requests that PHMSA refrain from scheduling a hearing in order to provide the parties with sufficient time to attempt to resolve the NOPV.

I. Tallgrass Response to Uncontested NOPV Items 1, 2, 3, 4, 6 & 7

A. NOPV Item 1 (§ 192.163(c) – Compressor stations: Design and construction)

Tallgrass is not contesting this allegation which was issued as a warning item. The Company will replace the doors associated with this NOPV Item although the Company does not believe that these doors restrict or impede the ability to exit the compressor station, and believes the doors installed at this location are compliant with relevant Occupational Safety and Health Administration regulations and the National Fire Protection Association's Life Safety Code.

B. NOPV Item 2 (§ 192.481(b) – Atmospheric corrosion control: Monitoring)

Tallgrass is not contesting this allegation or the associated penalty but respectfully requests the opportunity to discuss factual clarifications and the terms of the PCO in an informal conference, including to confirm that some of these terms have already been satisfied by Tallgrass. By way of example, Tallgrass already implemented training to reinforce the relevant knowledge and skills required for personnel conducting atmospheric inspections under 49 C.F.R. § 192.481. Based on this training, Tallgrass believes it has met the obligations of the PCO Item A.iii.

With respect to the remaining obligations in the PCO, Tallgrass agrees to perform the evaluation and visual inspection of all deck penetrations and pipe supports as requested in accordance with PCO Items A.i and A.ii. Based on the existence of pipe clamps or where piping is not easily accessible, Tallgrass respectfully requests that PHMSA modify PCO Item A to provide the Company with additional time to conduct these inspections and the ability to request an extension for good cause shown.

C. NOPV Item 3 (§ 192.517(a) – Records)

Tallgrass is not contesting this allegation, but respectfully requests additional time to complete the hydrotest required by PCO Item B. By way of explanation, due to an inadvertent filing error and the fact that the Prime Operating Cherry Creek facility was originally constructed under a different name, the Company was unable to locate the pressure test records at the time of the inspection. After the inspection, Tallgrass identified the filing error and located relevant historical records. Given the nature of the historical records, and as outlined in the PCO, Tallgrass is nevertheless developing a hydrotest protocol in order to confirm and/or reestablish the MAOP for the Prime Operating Chery Creek facility. Because this process may require more than the 90 days allotted by the PCO, Tallgrass requests that PHMSA provide Tallgrass with additional time under Item B of the PCO and to allow for the ability to request an extension for good cause shown.

D. NOPV Item 4 (§ 192.605(a) – Procedural manual for operations, maintenance, and emergencies)

Tallgrass is not contesting this allegation or the associated penalty but respectfully requests the opportunity to confirm that it has already satisfied the terms of the associated PCO obligation at Item C. In particular, after the inspection and in order to address PHMSA’s concern, Tallgrass identified all block valves within the scope of the inspection with an H-frame design, evaluated those valves, and corrected any identified deficiencies. During this process, Tallgrass re-trained its personnel on the requirements of the relevant procedure, OM 301_G. Based on its efforts, Tallgrass respectfully requests that PHMSA confirm that Item C of the PCO has been satisfied.

E. NOPV Item 6 (§ 192.605(a) – Procedural manual for operations, maintenance, and emergencies)

Tallgrass is not contesting this allegation which was issued as a warning item and as acknowledged by PHMSA in the NOPV, Tallgrass removed the shorted casing after the inspection. Additionally, Tallgrass has revised its procedures, at O&M 903_GL, to clarify its processes for evaluating mechanically-shorter casings.

F. NOPV Item 7 (§ 192.745(a) – Valve maintenance: Transmission lines)

Tallgrass is not contesting this allegation or the associated penalty. As required by 49 C.F.R. § 195.745, Tallgrass has and continues to inspect and partially operate valves at the Casper and Glenrock Compressor Stations, including in 2019 and 2020. Historically, applicable valve inspections and partial operations at these compressor stations were documented on locally-produced forms. To ensure compliance with Tallgrass procedure, OM 300-03_GL, the Company developed a new and expanded form for documenting these inspections and partial operations, which was used in 2021 to document inspections and partial operations at the Casper Compressor Station and in 2020 and 2021 at the Glenrock Compressor Station.

II. Tallgrass Written Response, Request for Hearing, and Statement of Issues Regarding NOPV Item 5

A. NOPV Item 5

§ 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.

PHMSA Allegation

Tallgrass failed to follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. Specifically, Tallgrass failed to follow its Operations and Maintenance (OM) manual procedure OM 703_G.

Tallgrass's OM 703_G, titled "Pressure Limiting and Relief Devices and Inspections," Section 3.6, titled "Overpressure Protection Evaluation and Review," states documentation should be in either Form OM700-01 or OM700-02.

During the field inspection at the Casper compressor station, field personnel stated that overpressure protection evaluation and reviews were documented in Excel. Tallgrass provided the evaluation and review of this station on Form OM700-02 which was dated 2009. Tallgrass could not provide the appropriate records for the last 3 years.

PHMSA proposed a \$28,600 civil penalty for this alleged violation.

B. Tallgrass Response to NOPV Item 5:

Tallgrass contests this allegation and the associated proposed penalty on the basis that the Company believes there is a misunderstanding regarding Tallgrass's procedures and processes and the requirements of 49 C.F.R. § 192.743.

Relevant Tallgrass procedure, OM 703_G, states:

Operations Supervisor will maintain a file of completed forms OM700-01_GL - Overpressure Protection Method and OM700-02_G - Overpressure Protection Evaluation and the corresponding design and capacity support information for pressure limiting and relief devices in gas service. Review this file at least once each calendar year, not to exceed 15 months, for adequate capacity documentation.

(emphasis added). A copy of this procedure which was provided at the time of inspection is included as Attachment 1.

Pursuant to this procedure, the Company completes both the OM700-01_GL - Overpressure Protection Method and OM700-02_G - Overpressure Protection Evaluation forms related to pressure limiting and relief devices and maintains these forms. As required by its procedure, Tallgrass annually reviews the last OM700-02_G on record and verifies the parameters of the relevant pressure limiting or relief device to ensure that the capacity of the device has not changed. This review is documented using the Company's I&M 1-906.00.

OM 703_G does not require Tallgrass to complete a new form, OM700-02_G, during each annual review. The Company completes a new form as required by OM 703_G when there is a change in the parameters or capacity of the pressure limiting or relief device. This process is consistent with the requirements of 49 C.F.R. § 192.743(b), which expressly states that "subsequent [capacity] calculations [of a pressure limiting or relief device] need not be made if the annual review documents that parameters have not changed to cause the rated or experimentally determined relieving capacity to be insufficient."

Consistent with 49 C.F.R. § 192.743(b) and its procedures, Tallgrass conducts annual reviews to verify the capacity of its pressure limiting or relief devices. To date, these reviews have not identified any changes that would warrant completing a new form OM700-2_G under OM 703_G. As a result, Tallgrass has complied with its procedures as required by 49 C.F.R. § 192.605.

For these reasons, Tallgrass respectfully requests that PHMSA withdraw this item and the associated proposed civil penalty.

C. Statement of Issues

1. Whether PHMSA met its burden to prove by a preponderance of the evidence that Tallgrass failed to comply with its procedures in violation of 49 C.F.R. § 192.605 as it relates to evaluating and documenting the capacity of pressure limiting or relief devices.
2. Whether the proposed civil penalty associated with NOPV Item 5 should be withdrawn or reduced.

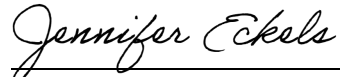
III. Summary and Request for Relief

Tallgrass is committed to operating its pipeline assets safely and in compliance with PHMSA regulations. In the spirit of cooperation and without admission, Tallgrass has only elected to contest one (1) of the seven (7) allegations provided in the NOPV. For the reasons identified above, and in consideration of other matters as justice may require, Tallgrass respectfully requests that PHMSA withdraw NOPV Item 5 and the associated proposed civil penalty.

Tallgrass believes that NOPV Item 5 is based on a misunderstanding that can be resolved without resort to a hearing, however, and requests that a hearing date be postponed until the parties have had an opportunity to convene via settlement conference.

The Company appreciates PHMSA's efforts and consideration of this request. If you have any questions or would like to discuss this matter further, please do not hesitate to contact me.

Sincerely,



Jennifer Eckels
Tallgrass Compliance Manager

Enclosures: Attachment 1 – Procedure OM 703_G

cc: Crystal Heter, Tallgrass Chief Operating Officer
Nicole Longwell, Esq., Tallgrass Assistant General Counsel
Byron Gale, Vice President, Environmental, Health, Safety, and Security
Jay Meyers, Vice President, Engineering and Technical Services
Catherine Little, Esq., Troutman Pepper
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Joe Hainline, Esq., PHMSA General Counsel
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