

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: tkarry@efgroupllc.com; ppowers@efgroupllc.com;
jborphy@efgroupllc.com

April 16, 2024

Mr. Todd Karry
President & CEO
Centra Pipeline Minnesota Inc
33717 Woodward Ave. #600
Birmingham, MI 48009

CPF 3-2024-043-NOA

Dear Mr. Karry:

From August 28 to August 31, 2023, representatives of the Minnesota Office of Pipeline Safety, acting as an interstate agent for the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected Centra Pipeline Minnesota, Inc.'s (CPM) procedures for operation and maintenance in Emo, Ontario, Canada.

As a result of the inspection, PHMSA has identified the apparent inadequacies found within CPM's plans or procedures. The items inspected and the inadequacies are described below:

1. § 192.465 External corrosion control: Monitoring and remediation.

(a)

(d) Each operator must promptly correct any deficiencies indicated by the inspection and testing required by paragraphs (a) through (c) of this section. For onshore gas transmission pipelines, each operator must develop a remedial action plan and apply for any necessary permits within 6 months of completing the inspection or testing that identified the deficiency. Remedial action must be completed promptly, but no later than the earliest of the following: prior to the next inspection or test interval required by this section; within 1 year, not to exceed 15

months, of the inspection or test that identified the deficiency; or as soon as practicable, not to exceed 6 months, after obtaining any necessary permits.

CPM's written procedure for remediation to correct any deficiencies indicated, by inspection and testing entitled "INT-PRO-009 Corrosion Control," did not meet the requirements of § 192.465(d). Specifically, there was no guidance or explanation for remedial actions including what is meant by "prompt". The procedure must provide clear instructions for personnel to understand what is expected when they encounter an indicated deficiency and when they must address those deficiencies. CPM must amend its procedure to meet the requirements of § 192.465(d) in order to comply with § 192.605(a).

2. § 192.467 External corrosion control: Electrical isolation.

(a)

(d) Inspection and electrical tests must be made to assure that electrical isolation is adequate.

CPM's "INT-PRO-009 Corrosion Control" procedure, Section 4.7, was inadequate for checking electrical isolation. The procedure contained the wording of the regulation, but did not provide any guidance that included the RF-IT device used by CPM field personnel to check for proper isolation. The procedure must be written to provide CPM personnel sufficient instructions on completing the task to adequately comply with § 192.605(b)(2).

3. § 192.479 Atmospheric corrosion control; General.

(a) Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere, except pipelines under paragraph (c) of this section.

CPM's written procedure, entitled "INT-PRO-009 Corrosion Control," Section 4.2.3, did not address the transition zone in CPM's atmospheric corrosion control procedures. Specifically, Section 4.2.3 did not provide guidance on which coating is allowable at the pipe-to-soil transition. Detailed procedures must be incorporated into the manual in order to comply with § 192.605(b)(2).

4. § 192.469 External corrosion control: Test stations.

Each pipeline under cathodic protection required by this subpart must have sufficient test stations or other contact points for electrical measurement to determine the adequacy of cathodic protection.

CPM's procedure entitled "INT-PRO-009 Corrosion Control," Section 4.5, did not adequately describe the process used to determine a sufficient number of test stations to ensure the adequacy of cathodic protection, as required by § 192.469. CPM's O&M procedure simply restated the regulation, which is inadequate; CPM must amend the procedure to provide more detailed procedures specific to its system to meet the requirements of § 192.469 in order to comply with § 192.605(a).

5. § 192.481 Atmospheric corrosion control: Monitoring.

(a)

(b) During inspections the operator must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.

CPM's written procedure entitled "INT-PRO-010 – Continuing Surveillance," Section 6.4 addressed monitoring for atmospheric corrosion, but the procedure as written did not contain adequate guidance as required by § 192.481(b). Specifically, Section 6.4 did not include any guidance for personnel to assess pipe-to-soil interfaces and pipe support locations for atmospheric corrosion. The procedures must be amended to comply with § 192.605(b)(2).

6. §192.613 Continuing surveillance.

(a) Each operator shall have a procedure for continuing surveillance of its facilities to determine and take appropriate action concerning changes in class location, failures, leakage history, corrosion, substantial changes in cathodic protection requirements, and other unusual operating and maintenance conditions.

CPM's INT-PRO-010 – Continuing Surveillance procedures did not meet the requirements of § 192.613 because the procedures for changes in class location did not include any guidance for identifying Moderate Consequence Areas (MCA). The definition of MCA, per § 192.3, includes consideration of the number of occupied dwellings as well as four-lane road crossings; this must be included in CPM's procedures to ensure that company personnel are aware of these locations to comply with § 192.605(b)(1).

7. § 192.615 Emergency plans.

(a)

(b) Each operator shall:

(1)

(2) Train the appropriate operating personnel to assure that they are knowledgeable of the emergency procedures and verify that the training is effective.

CPM's Emergency Training Plan procedure, entitled "INT-PRO-001 Management of Gas Emergencies," was inadequate because it did not meet the requirements of § 192.615(b)(2). Specifically, the procedure did not contain the required training courses and the frequency of the training to ensure that operating personnel were trained and that the training was effective. The procedures must be revised to comply with § 192.605(a).

8. § 192.635 Notification of potential rupture.

(a) As used in this part, a “notification of potential rupture” refers to the notification of, or observation by, an operator (e.g., by or to its controller(s) in a control room, field personnel, nearby pipeline or utility personnel, the public, local responders, or public authorities) of one or more of the below indicia of a potential unintentional or uncontrolled release of a large volume of gas from a pipeline:

CPM’s procedures did not address the notification of potential ruptures, as spelled out in § 192.635(a). Specifically, the Management of Gas Emergencies manual did not have any information or guidance for notification of a rupture by company personnel. The regulation became effective on April 5, 2022, and must be incorporated into CPM’s procedures to comply with § 192.615(a)(12).

9. § 192.805 Qualification program.

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(a)

(i) After December 16, 2004, notify the Administrator or a state agency participating under 49 U.S.C. Chapter 601 if an operator significantly modifies the program after the administrator or state agency has verified that it complies with this section.

Notifications to PHMSA must be submitted in accordance with §192.18.

CPM’s Operator Qualification (OQ) procedures, GEN-PRO-007, Operator Qualification did not contain any guidance or requirements to notify PHMSA of any significant OQ program modifications. CPM must modify its procedures to comply with § 192.805(i).

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 90 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 that CPM maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Gregory A. Ochs, Director, Central Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 3-2024-043-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Gregory A. Ochs
Director, Central region
Pipeline and Hazardous Materials Safety Administration

Enclosure: Response Options for Pipeline Operators in Enforcement Proceedings

cc: Phillip Powers, Director Pipeline Operations, ppowers@efgroupllc.com
Joe Brophy, VP/General Manager, jborphy@efgroupllc.com