

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

**VIA ELECTRONIC MAIL TO: scott.hallam@bwpipelines.com;
tina.baker@bwpipelines.com**

November 21, 2024

Mr. Scott Hallam, President & CEO
Boardwalk Pipelines, LP
9 Greenway Plaza, Suite 2800
Houston, TX 77066

CPF 3-2024-062-NOPV

Dear Mr. Hallam:

From April 24, 2023, to August 2, 2023, 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 Texas Gas Transmission, LLC's, a subsidiary of Boardwalk Pipelines, LP (TGT), natural gas pipelines in Tennessee, Kentucky, Indiana, and Ohio.

As a result of the inspection, it is alleged that TGT 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. § 192.745 Valve maintenance: Transmission lines.

(a) . . .

(b) Each operator must take prompt remedial action to correct any valve found inoperable, unless the operator designates an alternative valve.

TGT failed to take effective remedial action regarding the operability of block valve MLS 63-5 (asset number 323486), per the requirements of § 192.745(b). Specifically, TGT work orders 1824940, 2001789, and 2190188 show that a hand pump designed to enable manual actuation of the MLS 63-5 valve was not in working condition and was unable to close the valve at the time of TGT's 2021, 2022, and 2023 annual inspections, despite at least one repair attempt. The valve was listed as an emergency valve in all three records and TGT did not designate an alternative

valve to replace it. While TGT reported that the valve could be successfully operated remotely by the control room, the persistently inoperable state of the hand pump posed the potential to create a situation where field personnel would be unable to stop the flow of gas if control room telemetry was interrupted.

Proposed Civil Penalty

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to 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. 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.

We have reviewed the circumstances and supporting documentation involved for the above probable violation and recommend that you be preliminarily assessed a civil penalty of \$ 50,200 as follows:

<u>Item number</u>	<u>PENALTY</u>
1	\$ 50, 200

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 Texas Gas Transmission, LLC. 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 3-2024-062-NOPV** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Gregory A. Ochs
Director, Central Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration

cc: Tina Baker, Manager, Compliance Services, BW Pipelines, LP,
tina.baker@bwpipelines.com

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 TGT, a Compliance Order incorporating the following remedial requirements to ensure the compliance of TGT, with the pipeline safety regulations:

- A. In regard to Item 1 of the Notice, pertaining to valve maintenance, TGT must execute a permanent repair or other corrective action that renders emergency valve MLS 63-5 manually operable, and provide documentation of the repair or other corrective action to the Director, within **90** days of receipt of the Final Order.
- B. It is requested (not mandated) that Texas Gas Transmission, LLC, maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Gregory A. Ochs, Director, Central 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.