

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: thampton@lakesgas.com; ssargeant@lakesgasco.com; danderson@lakesgasco.com

November 22, 2022

Mr. Trent Hampton
Chief Executive Officer
Lakes Gas Company
26777 Fallbrook Ave,
Wyoming, Minnesota 55092

CPF 3-2024-078-NOA

Dear Mr. Hampton:

From September 11 to September 15, 2023, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected Lakes Gas Company (Lakes) procedures for its operator qualification program in Sturgeon Bay, Wisconsin.

As a result of the inspection, PHMSA has identified the apparent inadequacy found within Lakes procedures. The item inspected and the inadequacy is described below:

1. § 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.

Lakes' Operator Qualification Program, last revised August 9, 2023, was inadequate because it did not contain a provision requiring Lake to notify the Administrator or state agency if significant modifications are made to the program, in accordance with § 192.18(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 45 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 (not mandated) that Lakes 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 3-2024-078-NOA** 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: David Anderson, District Manager, danderson@lakesgasco.com
Steven Sargeant, EVP of Operations, ssargeant@lakesgasco.com

Enclosure: Response Options for Pipeline Operators in Enforcement Proceedings