



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

October 15, 2025

VIA ELECTRONIC MAIL TO: scott.hallam@bwpipelines.com

Scott Hallam
President & Chief Executive Officer
Boardwalk Pipelines, LP
9 Greenway Plaza, Suite 2800
Houston, Texas 77066

Re: CPF No. 3-2025-006-NOPV

Dear Mr. Hallam:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation, finds that the civil penalty amount of \$115,400 has been paid in full, and specifies actions that need to be taken to comply with the pipeline safety regulations. When the terms of the compliance order are completed, as determined by the Acting Director, Central Region, this enforcement action will be closed. Service of the Final Order by e-mail is effective upon the date of transmission and acknowledgement of receipt as provided under 49 CFR § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

LINDA GAIL
DAUGHERTY

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GAIL DAUGHERTY
Date: 2025.10.14
16:40:08 -04'00'

Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

Enclosures (Final Order and NOPV)

cc: David Barrett, Acting Director, Central Region, Office of Pipeline Safety, PHMSA
Tina Baker, Manager, Compliance Services, Boardwalk Pipelines, LP.,
tina.baker@bwpipelines.com
Jeff Sanderson, VP Field Operations Safety & Security, Boardwalk Pipelines, LP.,
jeff.sanderson@bwpipelines.com
Tessa Doerner, MBA, Supervisor, Compliance Services, Boardwalk Pipelines, LP.,
tesha.doerner@bwpipelines.com

CONFIRMATION OF RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

In the Matter of

**Texas Gas Transmission, LLC,
a subsidiary of Boardwalk Pipelines, LP,)**

Respondent.

CPF No. 3-2025-006-NOPV

FINAL ORDER

On August 18, 2025, pursuant to 49 CFR § 190.207, the Acting Director, Central Region, Office of Pipeline Safety (OPS), issued a Notice of Probable Violation (Notice) to Texas Gas Transmission, LLC, a subsidiary of Boardwalk Pipelines, LP (Respondent). The Notice proposed finding that Respondent had violated the pipeline safety regulations in 49 CFR Part 192 and proposed a civil penalty of \$115,400. The Notice also proposed certain measures to correct the violations. Respondent did not contest the allegations of violation or corrective measures and paid the proposed civil penalty on September 10, 2025.

Pursuant to 49 CFR § 190.213, I find Respondent violated the pipeline safety regulation listed below, as more fully described in the enclosed Notice, which is incorporated by reference:

49 CFR § 192.739(a) **(Item 2)** — Respondent failed to inspect and test at intervals not to exceed 15 months, but at least once each calendar year, the devices to regulate and limit pressure at pressure limiting stations in its Leesville and Wilfred stations in Indiana and its Dixie and West Greenville stations in Kentucky.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent. In accordance with 49 CFR § 190.223, Respondent is assessed the proposed civil penalty amount of \$115,400, which Respondent has already paid in full.

Compliance Actions

Pursuant to 49 U.S.C. § 60118(b) and 49 CFR § 190.217, Respondent is ordered to take the actions proposed in the enclosed Notice to correct the violation. 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 the 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 CFR § 190.223 or in referral to the Attorney General for appropriate relief in a district court of the United States.

Warning Item

With respect to Item 1, the Notice alleged a probable violation of 49 CFR § 192.605(a) but did not propose a civil penalty or compliance order for this item. Therefore, this is considered to be a warning item. If OPS finds a violation of this provision in a subsequent inspection, Respondent may be subject to future enforcement action.

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

LINDA GAIL
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Date: 2025.10.14
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Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

October 15, 2025

Date Issued



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety**

901 Locust Street, Suite 480
Kansas City, MO 64106

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

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

August 18, 2025

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

CPF 3-2025-006-NOPV

Dear Mr. Hallam:

From June 6, 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.), conducted an onsite inspection of the natural gas pipelines of Texas Gas Transmission, LLC, a subsidiary of Boardwalk Pipelines, LP (TGT) in Kentucky and Indiana.

As a result of the inspection, it is alleged that TGT has committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violations are:

1. § 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. . .

TGT failed to follow its written procedures, as required by § 192.605(a), by not documenting periodic odorant intensity testing in the Wilfred, Indiana, operating area.

Section 192.625(f) requires that “each operator must conduct periodic sampling of combustible gases using an instrument capable of determining the percentage of gas in air at which the odor

becomes readily detectable.” In response to PHMSA’s November 2, 2023 information request, TGT acknowledged in its response dated December 13, 2023 (Response), that the odorization requirements of § 192.625 are applicable in the Wilfred, Indiana “free gas” area (*i.e.*, a portion of the system where TGT provides gas service to certain landowners at no cost, in exchange for leased access to its underground gas storage fields).¹

Section 7010 of TGT’s “Operations and Maintenance Manual: Natural Gas” (O&M Manual) stated, “[the] Area Manager (or designee) shall ensure that Assigned Operations Personnel (or designee) shall test odorization levels with a sniff test quarterly and an odorant intensity tester at least annually” and “[the] Assigned Operations Personnel shall conduct periodic sampling of combustible gases using an instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable.” It further addressed the required documentation of this test, stating, “Use Form 7000-10: Odorizer Inspection & Sniff Test Report for inspection of Odorizer and proper levels of odorant or equivalent form provided by third-party contractor.” The evaluation criteria for TGT’s operator qualification task, “610OP - Monitor Odorant Concentration,” also listed “Record results” as a required element of using an odorometer.

In calendar years 2020 and 2021, odorant monitoring for the Wilfred operating area was not documented on form 7000-10, as required by the O&M Manual. Rather, it was documented on a form designated as “TXG-0032.” Form TXG-0032 had no field for recording odorant concentration data (*i.e.*, quantitative testing). Only qualitative testing (often referred to as “sniff testing”) was recorded on form TXG-0032. TGT indicated in its Response that the quantitative testing had been performed in 2020 and 2021 but not documented, and provided records on Form 7000-10 for calendar years 2022 and 2023.

Therefore, TGT lacked records of its required annual odorant intensity testing for calendar years 2020 and 2021, and failed to follow its procedures for odorant testing and associated recordkeeping in 2020 and 2021, contrary to the requirements of § 192.605(a).

2. § 192.739 Pressure limiting and regulating stations: Inspection and testing.

(a) Each pressure limiting station, relief device (except rupture discs), and pressure regulating station and its equipment must be subjected at intervals not exceeding 15 months, but at least once each calendar year, to inspections and tests to determine that it is. . . .

TGT failed to inspect and test each pressure regulating station at intervals not exceeding 15 months, but at least once each calendar year, as required by § 192.739(a). Specifically, devices to regulate and limit pressure at pressure limiting stations in its Leesville and Wilfred “free gas” areas in Indiana and its Dixie and West Greenville “free gas” areas in Kentucky were being inspected every three years, rather than annually.² Pressure limiting and regulating stations automatically control the supply of gas to prevent downstream piping and equipment from being subjected to pressures that exceed what they can safely contain. It is important that such stations be inspected

¹ The Wilfred operating area spans over 90 miles of transmission pipeline. The “free gas” area is a subset of this area, limited to the boundaries of its underground natural gas storage field.

² The “free gas” areas are subsets of the larger operating areas.

and maintained at the required frequency to ensure that excess pressure does not lead to pipeline failure, endangering persons and property.

Section 2050 of TGT's O&M Manual included procedures related to inspection and maintenance of pressure limiting devices. In Table 2050-1 of section 2050, TGT specified the frequency of testing for pressure regulators and relief devices at a three-year, not to exceed 39-months, interval for inspection, testing, and capacity review of all regulators and reliefs designated as "free gas." Devices outside of "free gas" areas were assigned a one-year, not to exceed 15-months, interval.

The only portion of Part 192 that allows for testing overpressure equipment at three-year intervals is § 192.740, which is titled "Pressure regulating, limiting, and overpressure protection—Individual service lines directly connected to regulated gathering or transmission pipelines." Section 2050's three-year testing interval appears to be derived from TGT's blanket application of the requirements of § 192.740 to all equipment in "free gas" areas.

Section 192.740 is not applicable to those taps³ in TGT's system which are not directly connected to service lines. Section § 192.740(a) states: "This section applies, except as provided in paragraph (c) of this section, to any service line directly connected to a transmission pipeline or regulated gathering pipeline as determined in § 192.8 that is not operated as part of a distribution system."

Section § 192.3 defines the term service line as follows: "*Service line* means a distribution line that transports gas from a common source of supply to an individual customer, to two adjacent or adjoining residential or small commercial customers, or to multiple residential or small commercial customers served through a meter header or manifold. A service line ends at the outlet of the customer meter or at the connection to a customer's piping, whichever is further downstream, or at the connection to customer piping if there is no meter."

According to records provided by TGT on March 27, 2024, in response to PHMSA's January 30, 2024 information request, TGT's system has multiple taps feeding "community lines"⁴ that supply multiple recipients. In some cases, the records indicate that dozens of residences or businesses are fed from a single tap.⁵ Most recipients are freestanding single-family residential structures and are not fed through a common meter header or manifold. Such "community lines" therefore do not transport gas either to an individual customer, to two adjacent or adjoining residential or small commercial customers, or to multiple residential or small commercial customers served through a meter header or manifold. Consequently, the "community lines" do not meet the definition of service lines and § 192.740 does not apply.

Because TGT's free gas taps are designed to automatically reduce and regulate gas pressure in downstream pipelines, including customer-owned "community" pipelines, they constitute pressure regulating stations, and must be inspected and tested at the intervals established by § 192.739. The taps in question are required to be tested at least once each year, not to exceed 15 months, per § 192.739(a).

³ "Tap" is TGT's term for a pressure regulating station serving the "free gas" areas.

⁴ This is TGT's term for a line which services multiple recipients.

⁵ Examples include TGT's taps L-13, L-18, and WG-10, which supply 40, 24, and 57 recipients, respectively.

In correspondence dated March 3, 2022, PHMSA requested TGT's most recent testing records for its overpressure protection devices in the "free gas" areas. In its April 1, 2022 response, TGT provided records from calendar year 2020 for the Dixie and West Greenville areas, and records from 2019 for the Leesville and Wilfred areas. In a subsequent request dated January 30, 2024, PHMSA requested records of all such testing performed since the 2022 response. On March 27, 2024, TGT provided records from 2022 and 2023 for all four "free gas" areas. TGT also provided data identifying which tap locations serve three or more discrete recipients, as opposed to individual "farm tap" service lines which fall under § 192.740.

From this data, in multiple instances, TGT failed to meet the interval required by § 192.739(a).

1. In the Leesville operating area, TGT tested six devices (TGT asset numbers 349460, 349461, 350169, 349459, 350170, and 350171) in calendar years 2019 and 2022, at a testing interval of every three years;
2. In the Dixie operating area, TGT tested three devices (TGT assets 348890, 348904, and 349868) in calendar years 2020 and 2023, at a testing interval of every three years;
3. In the Wilfred operating area, TGT tested five devices (TGT assets 349015, 349016, 349017, 349018, and 349950) in calendar years 2019 and 2022, at a testing interval of every three years;
4. In the West Greenville operating area, TGT tested eleven devices (TGT assets 349796, 349798, 348811, 348812, 349850, 348876, 349851, 348894, 349971, 350198, and 349042) in calendar years 2020 and 2023 at a testing interval of every three years;
5. In the West Greenville operating area, TGT tested one device (TGT asset 349829) on June 27, 2022 and October 21, 2023 in consecutive calendar years, but exceeding the 15-month interval by 24 days; and
6. In the West Greenville operating area, TGT tested five devices (TGT assets 348903, 349970, 349041, 349972, and 348832) only in calendar year 2023, with no record provided of any other testing in calendar years 2020 through 2022.

By not performing annual testing of its pressure-limiting devices, TGT failed to follow the inspection and testing requirements of § 192.739.

Proposed Civil Penalty

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$272,926 per violation per day the violation persists, up to a maximum of \$2,729,245 for a related series of violations. For violation occurring on or after December 28, 2023 and before December 30, 2024 the maximum penalty may not 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.

We have reviewed the circumstances and supporting documentation involved for the above probable violations and recommend that you be preliminarily assessed a civil penalty of \$115,400 as follows:

<u>Item number</u>	<u>PENALTY</u>
2	\$115,400

Proposed Compliance Order

With respect to Item 2 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.

Warning Item

With respect to Item 1, we have reviewed the circumstances and supporting documents involved in this case and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to promptly correct this item. Failure to do so may result in additional enforcement action.

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 3-2025-006-NOPV** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

DAVID A BARRETT Digitally signed by DAVID A BARRETT
Date: 2025.08.18 11:31:43 -05'00'

David Barrett
Acting Director, Central Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration

cc: Jeff Sanderson, VP Field Operations Safety & Security, BP,
Jeff.Sanderson@bwpipelines.com
Tina Baker, Manager, Compliance Services, BP, 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 Texas Gas Transmission, LLC, a Compliance Order incorporating the following remedial requirements to ensure the compliance of TGT with the pipeline safety regulations:

- A. In regard to Item 2 of the Notice, pertaining to inspection and testing of pressure-limiting devices, TGT must revise its applicable procedures to accurately differentiate pressure limiting devices which meet the criteria of § 192.740 from those falling under § 192.739 to ensure that the frequency of inspection, maintenance, and capacity calculation is compliant with the regulations. TGT must submit its revised procedures for review and approval within **60** days of receipt of the Final Order.
- B. It is requested (not mandated) that TGT maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to the, Director, Central Region, Pipeline and Hazardous Materials Safety Administration, Office of Pipeline Safety. 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.