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

1200 New Jersey Avenue, SE
Washington, DC 20590

September 26, 2025

**VIA ELECTRONIC MAIL TO: david.slater@dtmidstream.com**

David Slater
President and Chief Executive Officer
Viking Gas Transmission Co.
500 Woodward Avenue, Suite 2900
Detroit, Michigan 48226

**Re: CPF No. 3-2025-007-NOPV**

Dear Mr. Slater:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation, assesses a civil penalty of $53,900, and specifies actions that need to be taken by Viking Gas Transmission Co. to comply with the pipeline safety regulations. The penalty payment terms are set forth in the Final Order. When the civil penalty has been paid and the terms of the compliance order completed, as determined by the 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 Daugherty
Acting Associate Administrator
for Pipeline Safety

Enclosure

cc: David Barrett, Acting Director, Central Region, Office of Pipeline Safety, PHMSA
Christopher Zona, Chief Operating Officer, Viking Gas Transmission Co., chris.zona@dtmidstream.com
Philip Coleman, DTM Director of Codes & Regulatory, Viking Gas Transmission Co., philip.coleman@dtmidstream.com

Patrick Rachel, DTM Manager of Codes and Compliance, Viking Gas Transmission Co., patrick.raichel@dtmidstream.com

CONFIRMATION OF RECEIPT REQUESTED

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

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| **In the Matter of** | ) | |
| **Viking Gas Transmission Co.,** **a subsidiary of DT Midstream,** | ) | **CPF No. 3-2025-007-NOPV** |
| **Respondent.** | ) | |

## FINAL ORDER

From February 27 through October 16, 2023, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of Viking Gas Transmission Co. (VGT or Respondent) in Wisconsin and North Dakota. Respondent operates the Viking Gas Transmission pipeline, which is a 674-mile bi-directional interstate gas pipeline that serves utility customers in Minnesota, Wisconsin, and North Dakota.[1]

As a result of the inspection, the Acting Director, Central Region, OPS (Director), issued to Respondent, by letter dated June 25, 2025, a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Notice). In accordance with 49 CFR § 190.207, the Notice proposed finding that VGT had committed four violations of 49 CFR Part 192, proposed assessing a civil penalty of $53,900 for the alleged violations, and proposed ordering Respondent to take certain measures to correct the alleged violations. The Notice also included an additional three warning items pursuant to 49 CFR § 190.205, which warned Respondent to correct the probable violations or face possible future enforcement action.

VGT responded to the Notice by letter dated July 25, 2025 (Response). Respondent did not contest the allegations of violation but requested modifications to the proposed compliance order and that the proposed civil penalty be eliminated. Respondent did not request a hearing and therefore has waived its right to one.

[1] DT Midstream, Viking Gas Transmission, https://dtmidstream.com/asset/viking-gas-transmission/ (last visited Aug. 11, 2025).

## FINDINGS OF VIOLATION

In its Response, Respondent did not contest the allegations in the Notice that it violated 49 CFR Part 192, as follows:

**Item 3:** The Notice alleged that Respondent violated 49 CFR § 192.907(a), which states:

> **§ 192.907 What must an operator do to implement this subpart?**
> (a) *General.* No later than December 17, 2004, an operator of a covered pipeline segment must develop and follow a written integrity management program that contains all the elements described in § 192.911 and that addresses the risks on each covered transmission pipeline segment. The initial integrity management program must consist, at a minimum, of a framework that describes the process for implementing each program element, how relevant decisions will be made and by whom, a time line for completing the work to implement the program element, and how information gained from experience will be continuously incorporated into the program. The framework will evolve into a more detailed and comprehensive program. An operator must make continual improvements to the program.

The Notice alleged that Respondent violated 49 CFR § 192.907(a) by failing to follow its written integrity management program. Specifically, the Notice alleged that VGT failed to determine the corrosion growth rate to predict future metal wall loss for the Milaca Station 2217 to Osceola Station 2222 after a 2017 inline inspection (ILI).

Respondent did not contest this allegation of violation. Accordingly, I find that Respondent violated 49 CFR § 192.907(a) by failing to follow its written integrity management program.

**Item 4:** The Notice alleged that Respondent violated 49 CFR § 192.907(a), which states:

> **§ 192.907 What must an operator do to implement this subpart?**
> (a) *General.* No later than December 17, 2004, an operator of a covered pipeline segment must develop and follow a written integrity management program that contains all the elements described in § 192.911 and that addresses the risks on each covered transmission pipeline segment. The initial integrity management program must consist, at a minimum, of a framework that describes the process for implementing each program element, how relevant decisions will be made and by whom, a time line for completing the work to implement the program element, and how information gained from experience will be continuously incorporated into the program. The framework will evolve into a more detailed and comprehensive program. An operator must make continual improvements to the program.

The Notice alleged that Respondent violated 49 CFR § 192.907(a) by failing to follow its written integrity management program. Specifically, the Notice alleged that VGT failed to document its decisions not to investigate or remediate metal wall loss anomalies that exceeded 50%.

Respondent did not contest this allegation of violation. Accordingly, I find that Respondent violated 49 CFR § 192.907(a) by failing to follow its written integrity management program.

**Item 5:** The Notice alleged that Respondent violated 49 CFR § 192.907(a), which states:

> **§ 192.907 What must an operator do to implement this subpart?**
> (a) *General.* No later than December 17, 2004, an operator of a covered pipeline segment must develop and follow a written integrity management program that contains all the elements described in § 192.911 and that addresses the risks on each covered transmission pipeline segment. The initial integrity management program must consist, at a minimum, of a framework that describes the process for implementing each program element, how relevant decisions will be made and by whom, a time line for completing the work to implement the program element, and how information gained from experience will be continuously incorporated into the program. The framework will evolve into a more detailed and comprehensive program. An operator must make continual improvements to the program.

The Notice alleged that Respondent violated 49 CFR § 192.907(a) by failing to follow its written integrity management program. Specifically, the Notice alleged that VGT failed to incorporate ILI data regarding internal and external corrosion in its risk model.

Respondent did not contest this allegation of violation. Accordingly, I find that Respondent violated 49 CFR § 192.907(a) by failing to follow its written integrity management program.

**Item 6:** The Notice alleged that Respondent violated 49 CFR § 192.907(a), which states:

> **§ 192.907 What must an operator do to implement this subpart?**
> (a) *General.* No later than December 17, 2004, an operator of a covered pipeline segment must develop and follow a written integrity management program that contains all the elements described in § 192.911 and that addresses the risks on each covered transmission pipeline segment. The initial integrity management program must consist, at a minimum, of a framework that describes the process for implementing each program element, how relevant decisions will be made and by whom, a time line for completing the work to implement the program element, and how information gained from experience will be continuously incorporated into the program. The framework will evolve into a more detailed and comprehensive program. An operator must make continual improvements to the program.

The Notice alleged that Respondent violated 49 CFR § 192.907(a) by failing to develop and follow a written integrity management program that contains all the elements described in 49 CFR § 192.911. Specifically, the Notice alleged that VGT failed to develop procedures to identify threats, conduct risk assessments, and evaluate the merits of additional preventive and mitigative measures to protect each covered segment as required by 49 CFR § 192.911(c).

Respondent did not contest this allegation of violation. Accordingly, I find that Respondent violated 49 CFR § 192.907(a) by failing to develop and follow a written integrity management program that contains all the elements described in 49 CFR § 192.911.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

## ASSESSMENT OF PENALTY

Under 49 U.S.C. § 60122, Respondent is subject to an administrative civil penalty exceeding $200,000 per violation for each day of the violation, with a maximum administrative civil penalty exceeding $2,000,000 for any related series of violations.[2]

In determining the amount of a civil penalty under 49 U.S.C. § 60122 and 49 CFR § 190.225, I must consider the following criteria: the nature, circumstances, and gravity of the violation, including adverse impact on the environment; the degree of Respondent's culpability; the history of Respondent's prior offenses; any effect that the penalty may have on its ability to continue doing business; the good faith of Respondent in attempting to comply with the pipeline safety regulations; and self-disclosure or actions to correct a violation prior to discovery by PHMSA. In addition, I may consider the economic benefit gained from the violation without any reduction because of subsequent damages, and such other matters as justice may require.

**Item 5:** The Notice proposed a civil penalty of $53,900 for Respondent's violation of 49 CFR § 192.907(a), for failing to follow its written integrity management program. Respondent argued the proposed civil penalty should be withdrawn because it is related to conduct that occurred under the prior owner. The Associate Administrator for Pipeline Safety has determined that a transfer of ownership does not relieve the acquiring entity of civil penalties for violations of pipeline safety laws or regulations committed under prior ownership.[3] Moreover, PHMSA recently emphasized in the July 17, 2025 memo, "Inspection and Enforcement Priorities," that "safety and compliance obligations [] persist across transactions" and that any "enforcement orders … remain applicable to the transferred pipeline and therefore become the responsibility of

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[2] These amounts are adjusted annually for inflation. *See* 49 CFR § 190.223 for adjusted amounts.

[3] Western Refining Pipeline, LLC, a subsidiary of Marathon Petroleum Corp., CPF No. 4-2018-5014, 2019 WL 6840345, at *2 (July 12, 2019) ("Further, the fact that Andeavor acquired Western after PHMSA's inspection does not absolve either entity from culpability for violations of the Pipeline Safety Regulations.").

the buyers as part of the transaction process."[4] Respondent did not otherwise contest the Item 5 allegation of violation or any of the statutory civil penalty assessment factors. I therefore find no reason to reduce or withdraw the proposed civil penalty. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of $53,900 for violation of 49 CFR § 192.907(a).

Payment of the civil penalty must be made within 20 days after receipt of this Final Order. Federal regulations (49 CFR § 89.21(b)(3)) require such payment to be made by wire transfer through the Federal Reserve Communications System (Fedwire), to the account of the U.S. Treasury. Detailed instructions are contained in the enclosure. Questions concerning wire transfers should be directed to: Financial Operations Division (AMK-325), Federal Aviation Administration, Mike Monroney Aeronautical Center, 6500 S MacArthur Blvd, Oklahoma City, Oklahoma 79169. The Financial Operations Division telephone number is (405) 954-8845.

Failure to pay the civil penalty will result in accrual of interest at the current annual rate in accordance with 31 U.S.C. § 3717, 31 CFR § 901.9 and 49 CFR § 89.23. Pursuant to those same authorities, a late penalty charge of six percent (6%) per annum will be charged if payment is not made within 110 days of service. Furthermore, failure to pay the civil penalty may result in referral of the matter to the Attorney General for appropriate action in a district court of the United States.

## COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Items 3, 4, and 6 in the Notice for violations of 49 CFR §§ 192.907(a), 192.907(a), and 192.907(a), respectively. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601.

With regard to the violation of section 192.907(a) (Item 3), Respondent requested that it provide the DT Midstream Transmission Integrity Management Program to satisfy this corrective measure instead of amending the procedure used by the prior owner and referenced in the Notice. Respondent also requested an additional 90 days to complete this corrective measure. I find that the proposed modification is reasonable, however the time extension is not necessary at this time. Paragraph 4 of the Compliance Order directs the Respondent to provide a status update if the 90-day deadline is not achieved.

With regard to the violation of section 192.907(a) (Item 4), Respondent requested an additional 180 days to complete the corrective measure. I find that the time extension is not necessary at this time. Paragraph 4 of the Compliance Order directs the Respondent to provide a status update if the 90-day deadline is not achieved.

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[4] PHMSA, Inspection and Enforcement Priorities, at 7 (July 17, 2025), https://www.phmsa.dot.gov/regulatory-compliance/phmsa-guidance/phmsa-pipeline-safety-inspection-and-enforcement-priorities.

With regard to the violation of section 192.907(a) (Item 6), Respondent requested an additional 90 days to complete the corrective measure. I find that the time extension is not necessary at this time. Paragraph 4 of the Compliance Order directs the Respondent to provide a status update if the 90-day deadline is not achieved.

For the above reasons, the Compliance Order is modified as set forth below.

Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 CFR § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations:

1. With respect to the violation of section 192.907(a) (**Item 3**), Respondent must submit its integrity management program that does not allow for an unverified zero-percent growth rate to the Director within **90** days of receipt of the Final Order.

2. With respect to the violation of section 192.907(a) (**Item 4**), Respondent must submit to the Director 1) a run comparison from the 2017 ILI run and the 2024 ILI run for the Milaca to Osceola segment and 2) an evaluation of each anomaly listed in the DI Form Table included under Item 5 for the Ada to Frazee segment and the Frazee to Cushing segment within **90** days of receipt of the Final Order.

3. With respect to the violation of section 192.907(a) (**Item 6**), Respondent must submit procedures conforming with the requirements of 49 CFR § 192.911 within **90** days of receipt of the Final Order.

4. If any of the corrective measures in paragraphs 1-3 extend beyond 90 days to complete, Respondent must submit to the Director on the 90th day a report on all outstanding work necessary to implement each corrective measure. Respondent must submit follow-up reports to the Director every 90 days thereafter until all work necessary to implement each corrective measure is completed.

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.

PHMSA requests that Respondent maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to the Director. 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.

Failure to comply with this Order may result in the administrative assessment of civil penalties exceeding $200,000, as adjusted for inflation (*see* 49 CFR § 190.223 for adjusted amounts), for each violation for each day the violation continues or in referral to the Attorney General for appropriate relief in a district court of the United States.

**WARNING ITEMS**

With respect to Items 1, 2, and 7, the Notice alleged probable violations of Parts 191 and 192, but identified them as warning items pursuant to section 190.205. The warnings were for:

> 49 CFR § 191.22(c)(1)(i) **(Item 1)** ─ Respondent's alleged failure to notify PHMSA not later than 60 days before commencing construction that costs $10 million or more;
>
> 49 CFR § 192.605(a) **(Item 2)** ─ Respondent's alleged failure to follow its a manual of written procedures for conducting operations and maintenance activities and for emergency response; and
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> 49 CFR § 192.935(a) **(Item 7)** ─ Respondent's alleged failure to take additional measures beyond those already required by Part 192 to prevent a pipeline failure and to mitigate the consequences of a pipeline failure in a high consequence area.

If OPS finds a violation of any of these items in a subsequent inspection, Respondent may be subject to future enforcement action.

Under 49 CFR § 190.243, Respondent may submit a Petition for Reconsideration of this Final Order to the Associate Administrator, Office of Pipeline Safety, PHMSA, 1200 New Jersey Avenue, SE, East Building, 2nd Floor, Washington, DC 20590, with a copy sent to the Office of Chief Counsel, PHMSA, at the same address. The written petition must be received no later than 20 days after receipt of the Final Order by Respondent. Any petition submitted must contain a statement of the issue(s) and meet all other requirements of 49 CFR § 190.243. The filing of a petition automatically stays the payment of any civil penalty assessed. The other terms of the order, including corrective action, remain in effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Final Order are effective upon service in accordance with 49 CFR § 190.5.

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| ______________________________ | _______________________ |
| Linda Daugherty<br>Acting Associate Administrator<br>for Pipeline Safety | Date Issued |