



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

8701 S. Gessner, Suite 630
Houston, TX 77074

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

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 22, 2020

Rod J. Sailor
President and Chief Executive Officer
Enable Midstream Partners
499 W. Sheridan Ste 1500
Oklahoma City, Oklahoma 73102

CPF 4-2020-1004

Dear Mr. Sailor:

From June 3, 2019 to September 27, 2019, representatives 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 your Enable Gas Transmission Pipeline System in Oklahoma, Arkansas, Texas, Mississippi, Tennessee, Missouri, and Kansas.

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

1. § 192.481 Atmospheric corrosion control: Monitoring.

(a) Each operator must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:

If the pipeline is located:	Then the frequency of inspection is:
Onshore:	At least once every 3 calendar years, but with intervals not exceeding 39 months
Offshore:	At least once each calendar year, but with intervals not exceeding 15 months

Enable Gas Transmission (Enable) failed to inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion at least once every 3 calendar years, but with intervals not exceeding 39 months for onshore pipelines. After reviewing the AR-5 Dunn Unit Pipe Inspection History Reports, PHMSA found that Enable exceeded the 39-month requirement for atmospheric inspections for the BT-1 pipeline segment O-86 to the ending of the header at the cooler risers. The inspection dates were May 29, 2015 and October 10, 2018, which is 40 months, 11 days. The frequency of inspection exceeded the requirement by 1 month, 11 days.

2. § 192.481 Atmospheric corrosion control: Monitoring.

(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.

Enable failed to adequately give particular attention to pipe in spans over water when conducting atmospheric corrosion inspections. PHMSA reviewed the Enid Unit atmospheric corrosion inspection records and found that in two locations, Enable used binoculars to perform its atmospheric corrosion inspections for the pipelines that span over water. Particular attention must be paid to the entire pipe segment spanning over water, specifically where the pipe segment is in contact with pipe supports and bridge housings. These areas may not be visible from a distance using binoculars, preventing adequate atmospheric corrosion inspections. On Line 23-24, which spans the Arkansas River Bridge, the description of work states that the pipeline was inspected via binoculars and rain holes in the bridge. On Line 25, which is under the Walnut River Bridge, the description of work states that the pipeline was inspected with binoculars.

3. § 192.705 Transmission lines: Patrolling.

(a) Each operator shall have a patrol program to observe surface conditions on and adjacent to the transmission line right-of-way for indications of leaks, construction activity, and other factors affecting safety and operation.

Enable failed to ensure that its right of way (ROW) conditions were acceptable for the type of patrolling used to observe surface conditions on and adjacent to the transmission line ROW for indications of leaks, construction activity, and other factors affecting safety and operation. Enable has implemented the Vegetation Management Program, which is a spraying program that controls vegetation on the ROW. PHMSA observed five Enable

unit locations where the ROW conditions appeared to be unacceptable due to the amount of vegetation on the ROW.

The following locations at each unit were observed to have ROW conditions that did not provide for adequate observation of the ROW:

- Ada Unit: Stringtown Railroad Crossing;
- AR-2 Russellville: Tates Island ROW outside the station gate, HCA HS 1252 Walmart in Morrillton, Mooreland Compressor Station ROW outside the station gate on the suction side;
- AR MO Fort Smith: Cossatot East ROW, Winslow Station ROW, HCA HS 1247 Commercial Building ROW, HCA HS 1246 Sonic, Assisted Living, Apartments ROW;
- Enid: HCA on Line 4-1-4 at TS 2142 at W Chestnut Ave and the Tuscana Apartments, Line 2-H-9 at W Pine N / 2740 Rd ROW; and
- AR-5 Dunn: Highway 309 ROW for Lines BT-1/BT-1-AN, Paint Rock Road, Mt. Carmel Road Crossing.

4. § 192.731 Compressor stations: Inspection and testing of relief devices.

(a) Except for rupture discs, each pressure relieving device in a compressor station must be inspected and tested in accordance with § 192.739 and § 192.743, and must be operated periodically to determine that it opens at the correct set pressure.

Enable failed to inspect and test its pressure relieving devices at intervals not exceeding 15 months, but at least once each calendar year in accordance with § 192.739, § 192.743, and Enable's Operating and Maintenance Plan, Procedure No. 304: Inspection and Testing of Relief and Automatic Shutdown Devices Compressor Stations.

During the inspection, PHMSA reviewed records for the Clarksville, Piney, and Morrison Bluff Compressor stations in the Russellville District. A review of Enable's records showed that it did not inspect and test certain pressure relief valves in calendar year 2016. Enable stated that the calendar year 2016 inspections were conducted on December 2, 2015.

5. § 192.745 Valve maintenance: Transmission lines.

(a) Each transmission line valve that might be required during any emergency must be inspected and partially operated at intervals not exceeding 15 months, but at least once each calendar year.

Enable failed to ensure that each transmission line valve that might be required during any emergency is inspected and partially operated at intervals not exceeding 15 months, but at least once each calendar year. On July 22, 2019, PHMSA reviewed the Pipeline Block Valve Inspection records for Sayre and Arapaho Unit in the Wheeler Operations Area and

found that BV 34174 had not been operated since March 6, 2018, exceeding the 15-month requirement by 16 months, 17 days. This probable violation is a repeat of a violation found in CPF No. 4-2013-1018, Item # 6.

6. § 192.805 Qualification program.

(b) Ensure through evaluation that individuals performing covered tasks are qualified...

Enable failed to ensure through evaluation that individuals performing covered tasks in the Chandler and Spiro Unit are qualified. The covered task for performing atmospheric corrosion inspections is 417OP: Atmospheric Corrosion Monitoring. PHMSA reviewed atmospheric corrosion inspection records for the Holdenville and McAlester operating areas. A review of two individuals' Veriforce records dated September 17, 2019 showed that neither were qualified to perform atmospheric corrosion inspections. The atmospheric corrosion inspection records reviewed by PHMSA showed the two individuals performed atmospheric corrosion inspections from March 2019 to May 2019.

7. § 192.935 What additional preventive and mitigative measures must an operator take?

(a) General requirements. An operator must 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. An operator must base the additional measures on the threats the operator has identified to each pipeline segment. (See § 192.917) An operator must conduct, in accordance with one of the risk assessment approaches in ASME/ANSI B31.8S (incorporated by reference, see § 192.7), section 5, a risk analysis of its pipeline to identify additional measures to protect the high consequence area and enhance public safety. Such additional measures include, but are not limited to, installing Automatic Shut-off Valves or Remote-Control Valves, installing computerized monitoring and leak detection systems, replacing pipe segments with pipe of heavier wall thickness, providing additional training to personnel on response procedures, conducting drills with local emergency responders and implementing additional inspection and maintenance programs.

Enable failed 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 high consequence areas (HCA). Enable identified two additional preventive and mitigative (P&M) measures for implementation in its HCA segments: (1) Line-of-sight markers; and (2) Additional pipeline patrols. Enable failed to implement the identified P&M measures in its HCA segments.

At the time of the inspection for the Ada unit conducted from August 12-16, 2019, P&M measures (line-of-sight markers) for three HCA segments were not properly implemented. The three areas were as follows: (1) HS 1115, C-4 Club/Bar, Line 1-AD-10; (2) HS 1492, Powell's Bar and Grill, Line 635-2; and (3) HS 1143, Stonewall Park, Line 636-3. PHMSA observed during the field inspection that line-of-sight markers were not in place in these three HCA segments. On October 3, 2019, Enable provided updated pictures to show that the line-of-sight pipeline markers in the Ada Unit were installed.

At the time of the inspection for the Chandler and Spiro unit conducted from September 16-20, 2019, P&M measures (additional pipeline patrols) for five HCA segments had not been properly implemented. The five areas are as follows: (1) HS 1132, Eugena Field Elementary School, Line 34; (2) HS 1135, McAlester Boys and Girls Club, Line 34; (3) HS 1136, Speedline Park, Line 34; (4) HS1347, Amoco Building, Wilburton Office Complex, Line O; and (5) HS 1349, A&A Tank Truck Company, Wilburton Buildings, Line O-1-O.

PHMSA reviewed 2016-2019 DOT Line Patrol records for the Chandler and Spiro Unit and the HCA/Special Permit Additional Work records which are used to document P&M measures (additional pipeline patrols) for the five HCA segments, and found that the dates were the same in 29 instances dating from 2016 to 2019. PHMSA found that the additional pipeline patrols were not being performed in addition to the pipeline patrols required by Part 192. It appeared that the same patrol was documented twice on separate reports to meet the pipeline patrols required by Part 192 and the P&M measure of additional pipeline patrols.

Proposed Civil Penalty

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to 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. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 for a related series of violations. The Compliance Officer has reviewed the circumstances and supporting documentation involved for the above probable violations and has recommended that you be preliminarily assessed a civil penalty of \$147,100 as follows:

<u>Item number</u>	<u>PENALTY</u>
3	\$51,100
6	\$31,400
7	\$64,600

Warning Items

With respect to Items 1 and 4, 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 these items. Failure to do so may result in additional enforcement action.

Proposed Compliance Order

With respect to items 2, 3, and 5 pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Enable Gas Transmission. 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 the receipt of this Notice, you have 30 days to submit written comments, or request a hearing under 49 CFR § 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 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. This period may be extended by written request for good cause.

In your correspondence on this matter, please refer to **CPF 4-2020-1004** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mary L. McDaniel', is written over the printed name and title.

Mary L. McDaniel, P.E.
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration

cc: Paul Brewer, Executive Vice President of Operations, Enable Midstream Partners, 499 W. Sheridan, Ste 1500, Oklahoma City, Oklahoma 73102

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 Enable Gas Transmission, LLC (Enable) a Compliance Order incorporating the following remedial requirements to ensure the compliance of Enable with the pipeline safety regulations:

1. In regard to Item Number 2 of the Notice pertaining to conducting atmospheric corrosion inspections on pipelines that span rivers and are located underneath bridges, Enable must amend its procedure to include detailed guidance on conducting atmospheric corrosion inspections for pipelines that span over water and are located under bridges. Procedures must be sent to Mary L. McDaniel, Director, Southwest Region for review and approval. After the Director has approved the procedure as adequate, Enable must then conduct atmospheric corrosion inspections for pipelines that span over water and under bridges, and provide PHMSA those inspection records, including pictures that document the condition of the pipeline in those areas.
2. In regard to Item Number 3 of the Notice pertaining to right-of-way (ROW) conditions, Enable must ensure that its ROW conditions are accessible for walking patrols to observe surface conditions for leaks, construction activity, and other factors affecting safety and operation of the pipeline. Enable has developed and implemented its Vegetation Management Program to maintain ROW conditions. Enable must provide PHMSA with a list of jurisdictional pipelines where the Vegetation Management Program has been implemented and a list of jurisdictional pipelines where the program has not yet been implemented and the implementation dates. Enable must also provide PHMSA with a detailed plan of adjustments made to patrolling procedures in areas of high vegetation until the Vegetation Management Program has become effective in those areas.
3. In regard to Item Number 5 of the Notice pertaining to inspection and partial operation of transmission line valves that might be required during any emergency, Enable must conduct a complete valve inspection on BV 34174 and provide PHMSA with those inspection records. Enable must also provide PHMSA with pictures of the valve and the surrounding containment area.
4. Items 2 and 5 of the Notice are to be accomplished within 30 days following receipt of the Final Order. Item 3 of the Notice is to be accomplished within 90 days following receipt of the Final Order.
5. It is requested (not mandated) that Enable maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Mary L. McDaniel, Director, Southwest 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.