

NOTICE OF AMENDMENT

ELECTRONIC MAIL - RETURN RECEIPT REQUESTED

October 30, 2020

Tom Correll
Vice President of Pipeline Safety and Risk
Northern Natural Gas Company
1111 South 103rd Street
Omaha, Nebraska 68124

CPF 4-2020-1007M

Dear Mr. Correll:

From September 09, 2019 through February 07, 2020, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Northern Natural Gas Company's (NNGC) operations, maintenance, and emergency procedures for its natural gas transmission pipeline systems located in Texas, New Mexico, and Oklahoma.

Based on the inspection, PHMSA has identified the apparent inadequacies found within NNGC's plans or procedures as described below:

1. § 192.303 Compliance with specifications or standards.

Each transmission line or main must be constructed in accordance with comprehensive written specifications or standards that are consistent with this part.

NNGC's written construction procedures do not require the operator to document the coating thickness and voltages used to detect holidays on pipeline coating during installation of bored pipe consistent with industry standards and practice.

During the inspection, PHMSA inspectors reviewed records of bored pipeline, TXB85301. Inspectors noted that NNGC had not recorded dry film thickness measurements of applied coating and voltages used to detect holidays. Upon further procedural review, NNGC did not have comprehensive written coating procedures that require the operator to document the coating thickness and voltages used to detect holidays on pipe coating.

NNGC must amend its written construction procedures to include coating applications and evaluation procedures.

2. § 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. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

§ 192.715 Transmission lines: Permanent field repair of welds.

(a) . . .

(c) A defective weld which cannot be repaired in accordance with paragraph (a) or (b) of this section must be repaired by installing a full encirclement welded split sleeve of appropriate design.

NNGC's written procedure for the permanent field repair of welds failed to properly address all potential repair methods in accordance with § 192.715(c).

NNGC's *Operating Procedure, 80.201, Repair of In-Service Pipelines (Rev. 19, 08/28/2019)* identified "Mechanical Sleeve" and "Other method as determined by pipeline safety through reliable engineering test and analysis" as its permanent repair methods for leaking and non-leaking defects. However, mechanical sleeve has not been qualified as a permanent weld repair method.

Section 5.9.3 Standard Repair Methods for Girth Weld Defects, (Page 11 of 16) states:

Girth Weld Defects		Leak	Non-Leaking
Repair Method	Standard		
Cylinder Replacement	0075	X	X
Type B Pressure Containing Sleeve	8354	X	X
Weld Repair	8362	-	X
Mechanical Sleeve	-	X	X
Other method as determined by pipeline safety through reliable engineering test and analysis			

NNGC must amend its written procedure to address the use of a mechanical sleeve as a temporary weld repair method, or submit an Engineering Test and Analysis Report of Mechanical Sleeve to demonstrate an acceptable method of permanent repair of girth weld defects in accordance with § 192.715(c).

3. § 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.

§ 192.911 What are the elements of an integrity management program?

An operator's initial integrity management program begins with a framework (see § 192.907) and evolves into a more detailed and comprehensive integrity management program, as information is gained and incorporated into the program. An operator must make continual improvements to its program. The initial program framework and subsequent program must, at minimum, contain the following elements. (When indicated, refer to ASME/ANSI B31.8S (incorporated by reference, see §192.7) for more detailed information on the listed element.)

(a) . . .

(c) An identification of threats to each covered pipeline segment, which must include data integration and a risk assessment. An operator must use the threat identification and risk assessment to prioritize covered segments for assessment (§ 192.917) and to evaluate the merits of additional preventive and mitigative measures (§ 192.935) for each covered segment.

NNGC's written Integrity Management Program procedures were inadequate because they did not include right-of-way patrol data as part of the data collection and integration required by ASME/ANSI B31.8S.

During the inspection, PHMSA inspectors reviewed aerial patrol data records and aerial patrol generated *Maintenance Job Tickets*. Additionally, PHMSA inspectors requested to review documentation of data integration of the *Maintenance Job Tickets* and associated corrective actions into its Integrity Management Program. However, NNGC was not able to provide evidence of data collection and integration of patrol data in its Integrity Management Program in accordance with ASME/ANSI B31.8S at time of inspection.

NNGC must amend its written Integrity Management Program procedures to include a process for integrating data collected from its right-of-way patrols into the Integrity Management Program.

4. § 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. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

§ 191.5 Immediate notice of certain incidents.

(a) At the earliest practicable moment following discovery, but no later than one hour after confirmed discovery, each operator must give notice in accordance with paragraph (b) of this section of each incident as defined in § 191.3.

NNGC's written procedure is inadequate because it does not provide a definition for the term "confirmed discovery" which is defined in § 191.3. Section 191.3 defines confirmed discovery as "when it can be reasonably determined, based on information available to the operator at the time a reportable event has occurred, even if only based on a preliminary evaluation."

NNGC's *Operating Procedure, 10.101, Reporting and Notification of Pipeline, LNG & Underground Storage Events (Rev. 35, 08/21/2019), Section 5.3.2 (Page 5 of 10)* states:

"5.3.2 Report incidents to Federal and State safety and environmental regulatory agencies using telephone and/or written reports as applicable. For pipeline safety incidents, a telephonic report is required to be made to the National Response Center (NRC) *at 1-800-424-8802* within one hour after confirmed discovery. Provide an update to the NRC within 48 hours of the original notification and reference the original NRC number. See appendix B of operating procedure 10.101 for the telephonic report form."

NNGC's written procedure must be revised to include a definition for "confirmed discovery" to establish clear guidelines when reporting pipeline safety incidents following "confirmed discovery."

5. § 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. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

§ 192.615 Emergency plans.

(c) Each operator shall establish and maintain liaison with appropriate fire, police, and other public officials to: Learn the responsibility and resources of each government organization that may respond to a gas pipeline emergency; Acquaint the officials with the operator's ability in responding to a gas pipeline emergency; Identify the types of gas pipeline emergencies of which the operator notifies the officials; and Plan how the operator and officials can engage in mutual assistance to minimize hazards to life or property.

NNGC's written procedures for handling abnormal operations and emergencies for pipeline systems were inadequate because they did not address coordinating with electric and other utilities owners in the vicinity of the pipeline in the event of an emergency. The operations of utilities in the vicinity of NNGC's pipelines may provide sources of ignition for the product released from a pipeline, may increase the burning time of fires that have already started, or may delay responders who are attempting to make the situation safe.

During the inspection, PHMSA inspectors reviewed NNGC's *Operating Procedure, 10.102, Emergencies (Rev. 28, 03/05/2019)*, and found that it did not include maintaining a liaison with electric and other utilities owners as per API 1162.

NNGC must amend the written procedure to include maintaining liaison with electric and other utilities owners in the vicinity of the pipeline.

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 Compliance 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 60 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 NNGC maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Mary L. McDaniel, P.E., Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 4-2020-1007M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*