

October 9, 2024

Mr. Bryan Lethcoe
Director, Southwest Region
Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration
8701 S. Gessner, Suite 630
Houston, TX 77074

**RE: CPF 4-2024-034-NOPV-PCO – RESPONSE TO NOTICE OF PROBABLE
VIOLATION, AND PROPOSED COMPLIANCE ORDER**

Mr. Lethcoe,

On August 27, 2024, TC Energy, on behalf of its subsidiary, Columbia Gas Transmission LLC, received CPF 4-2024-034-NOPV – Notice of Probable Violation and Proposed Compliance Order (Notice). The Notice alleges that Columbia Gas committed certain probable violations of Pipeline Safety Regulations at a liquefied natural gas (LNG) plant in Chesapeake, Virginia.

TC Energy is not contesting Item 2 (Annual Reporting), Item 3 (Operating Procedures), Item 4 (Fire Protection), or Item 5 (Cooldown) of the Notice. TC Energy is contesting Item 1 (Operating Procedures) without requesting an informal hearing as provided in 49 C.F.R. § 190.208(b)(3). TC Energy is also requesting an informal conference pursuant to 49 U.S.C. § 60117(b)(1)(B) to discuss Item 1 and the engineering analysis that is being performed by a qualified consultant to demonstrate operation conditions at the Chesapeake LNG Plant have remained within design limits. TC Energy believes that the informal conference will aid in the disposition of the issues presented in this case.

As explained in more detail below, TC Energy is respectfully requesting that PHMSA convert the alleged violation and proposed compliance for Item 1 to a Notice of Amendment (NOA). The NOA would direct Columbia Gas to revise Section 4.7 of its *LNG O&M Manual Chesapeake; 193.2503 Operating Procedures (Operations)* to establish a daily liquefaction rate of greater than the stated 5 MMCF/D based upon a third-party engineering analysis that considers the design limits, operating parameters, and other relevant conditions at the Chesapeake LNG Plant.

Historical engineering documents establish that the feed pre-treatment and liquefaction system are designed to produce 5 MMSCFD net LNG to storage at design condition, and that the liquefaction capacity is maximized at high feed gas pressure and low ambient temperature. Those documents also establish that the system is designed to be capable of producing a maximum capacity of 7.3 MMSCFD net LNG to storage at optimum conditions (*see* Stebbing Design Report Excerpt).

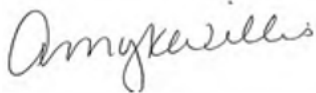
Columbia Gas recently engaged a qualified third-party engineering firm to analyze the liquefaction system at the Chesapeake LNG Plant (*see* JEI Engineering Report). The firm's analysis confirmed that "the [current] system design is consistent with the original design as provided by Stebbing and Associates." Columbia Gas has engaged the same contractor to conduct a further detailed

engineering analysis to confirm or validate the appropriate daily liquefaction rate for the Chesapeake LNG Plant. When that supplemental engineering analysis is complete, Columbia Gas will provide a copy to the Regional Director. Columbia Gas will also make appropriate revisions to its procedures to address the contractor's findings and conclusions.

Having reviewed the available historical engineering documents and the results of the more recent preliminary engineering analysis, Columbia Gas is confident that the additional detailed engineering analysis will confirm that the liquefaction rate at the Chesapeake LNG Plant has remained within allowable design limits at all times and has not created any conditions that adversely affect the safety or integrity of the Chesapeake LNG Plant.

TC Energy shares PHMSA's commitment to pipeline safety and appreciates the opportunity to respond to the Notice. Please feel free to contact me directly to schedule the informal conference or with any other questions at (281) 906-8467.

Respectfully,



Amy Willis
Director, Pipeline Safety Compliance US Natural Gas

Encl: JEI Engineering Report (1), Stebbing Design Report Excerpt (2)