

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

VIA ELECTRONIC MAIL TO: Tina faraca@tcenergy.com

August 27, 2024

Tina Faraca
Executive Vice President & President
Columbia Gas Transmission LLC
700 Louisiana Street, Suite 700
Houston, Texas 77002

CPF 4-2024-034-NOPV

Dear Ms. Faraca:

From March 11 through 15, 2024 of the on-site inspection, 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.) inspected Columbia Gas Transmission LLC's (Columbia Gas) operations and maintenance (O&M) records and LNG facility in Chesapeake, Virginia.

As a result of the inspection, it is alleged that Columbia Gas 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. § 193.2503 Operating procedures.

Each operator shall follow one or more manuals of written procedures to provide safety in normal operation and in responding to an abnormal operation that would affect safety. The procedures must include provisions for:

Columbia Gas failed to follow one or more manuals of written procedures to provide safety in normal operation and in responding to an abnormal operation that would affect safety in accordance with § 193.2503. Specifically, Columbia Gas failed to follow section 4.7 of its *LNG*

O&M Manual Chesapeake; 193.2503 Operating Procedures (Operations) (US) (Rev. 4; Dec. 1, 2023) which included the requirements for maintaining temperatures, pressures, pressure differentials and flow rates within its design limits because it operated above the stated maximum liquefaction rate of 5 MMCF/D.

Records reviewed from 10/31/2021, 11/1/2021, 11/2/2021, 11/3/2021, and 11/24/2023 showed that the maximum daily liquefaction rate of 5 MMCF/D was exceeded and that the associated components were not being operated within the design limits. The record from 11/2/2021 showed the daily liquefaction rate was 7.2 MMCF/D which is about 44% higher than stated maximum liquefaction rate in section 4.7 of Columbia Gas's O&M procedure.

Therefore, Columbia Gas failed to follow one or more manuals of written procedures to provide safety in normal operation and in responding to an abnormal operation that would affect safety in accordance with § 193.2503.

2. § 191.17 Transmission systems; gathering systems; liquefied natural gas facilities; and underground natural gas storage facilities: Annual report.

(a)

(b) LNG. Each operator of a liquefied natural gas facility must submit an annual report for that system on DOT Form PHMSA 7100.3-1 This report must be submitted each year, not later than March 15, for the preceding calendar year, except that for the 2010 reporting year the report must be submitted by June 15, 2011.

Columbia Gas failed to submit an accurate annual report for calendar years 2021 and 2023 in accordance with § 191.17(b). The annual reports indicated a maximum daily liquefaction rate of 5 MMCF/D, but records reviewed during the inspection show that this daily rate was exceeded.

3. § 193.2503 Operating procedures.

Each operator shall follow one or more manuals of written procedures to provide safety in normal operation and in responding to an abnormal operation that would affect safety. The procedures must include provisions for:

Columbia Gas failed to follow one or more manuals of written procedures to provide safety in normal operation and in responding to an abnormal operation that would affect safety in accordance with § 193.2503. Specifically, Columbia Gas failed to follow section 4.1 of its *LNG O&M Manual Chesapeake; 193.2611 Fire Protection. (Maintenance) (US) (Rev. 4; Dec. 1, 2023)* which requires firewater pumps to be acceptance tested when installed or after major repairs. Columbia Gas failed to conduct an acceptance test on a diesel firewater pump (S/N: P58821-2-1) after conducting repairs on September 25, 2023.

4. § 193.2801 Fire Protection

Each operator must provide and maintain fire protection at LNG plants according to sections 9.1 through 9.7 and section 9.9 of NFPA-59A-2001 (incorporated by reference, see § 193.2013). However, LNG plants existing on March 31, 2000, need not comply with provisions on emergency shutdown systems, water delivery systems, detection systems, and personnel qualification and training until September 12, 2005.

Columbia Gas failed to provide and maintain fire protection at its LNG plant according to sections 9.1 through 9.7 and section 9.9 of NFPA-59A-2001 in accordance with § 193.2801. Specifically, Columbia Gas failed to provide fire protection as determined by an evaluation based on sound fire protection engineering principles, analysis of local conditions, hazards within the facility, and exposure to or from other property in accordance with section 9.1.2 of NFPA-59A-2001. Columbia Gas commissioned a fire protection evaluation from a qualified consultant that concluded “[t]he fire water system should be flushed and flow tested annually to insure there is no foreign material building up inside the system.” However, section 4.2 of its *LNG O&M Manual Chesapeake; 193.2611 Fire Protection. (Maintenance) (US) (Rev. 4; Dec. 1, 2023)* requires a fire water flushing at intervals not less than 5 years.

Therefore, Columbia Gas failed to provide and maintain fire protection at its LNG plant according to sections 9.1 through 9.7 and section 9.9 of NFPA-59A-2001 in accordance with § 193.2801.

5. §193.2521 Operating records.

Each operator shall maintain a record of results of each inspection, test and investigation required by this subpart. For each LNG facility that is designed and constructed after March 31, 2000 the operator shall also maintain related inspection, testing, and investigation records that NFPA-59A-2001 (incorporated by reference, see §193.2013) requires. Such records, whether required by this part or NFPA-59A-2001, must be kept for a period of not less than five years.

§ 193.2505 Cooldown.

(a)

(b) After cooldown stabilization is reached, cryogenic piping systems must be checked for leaks in areas of flanges, valves, and seals.

Columbia Gas failed to check its cryogenic piping systems for leaks in areas of flanges, valves, and seals after cooldown stabilization was reached in accordance with § 193.2505(b). Specifically, Columbia Gas failed to provide records indicating that leak checks were performed after cooldown stabilization of the vaporizer between 11/27/2023 and 11/28/2023.

Proposed Compliance Order

With respect to Items 1, 2, and 4 pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Columbia Gas

Transmission, LLC. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Warning Items

With respect to Items 3 and 5 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.

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 4-2024-034-NOPV** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Bryan Lethcoe
Director, Southwest Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Enforcement Proceedings

cc: Dan Cerkoney, Sr. Manager, Regulatory Compliance, dan_cerkoney@tcenergy.com

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Columbia Gas Transmission, LLC (Columbia Gas) a Compliance Order incorporating the following remedial requirements to ensure the compliance of Columbia Gas with the pipeline safety regulations:

- A. In regard to Item 1 of the Notice pertaining to Columbia Gas's failure to follow one or more manuals of written procedures to provide safety in normal operation and in responding to an abnormal operation that would affect safety, Columbia Gas must review its operating records against the requirements of the procedure and make required procedural changes or retrain personnel to ensure the procedures are followed and provide updated records or procedures to the Director, Southwest Region, PHMSA within **30** days of receipt of the Final Order.
- B. In regard to Item 2 of the Notice pertaining to Columbia Gas's failure to submit an accurate annual report, Columbia Gas must revise and re-submit the annual reports for 2021 and 2023 to reflect its production records to PHMSA and provide copies to the Director, Southwest Region, PHMSA within **30** days of receipt of the Final Order.
- C. In regard to Item 4 of the Notice pertaining to Columbia Gas's failure to provide and maintain fire protection its LNG plant according to sections 9.1 through 9.7 and section 9.9 of NFPA-59A-2001, Columbia Gas must provide a written justification for deviating from the recommended annual fire water flushing or revise its procedure to require an annual fire water flushing and provide the written justification or revised procedure to the Director, Southwest Region, PHMSA within **30** days of receipt of the Final Order.
- D. It is requested (not mandated) that Columbia Gas maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Bryan Lethcoe 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.