

October 10, 2024

VIA ELECTRONIC MAIL TO: sdeal@interiorgas.com

George Deal
Director of Operations
Interior Gas Utility
2525 Phillips Field Road
Fairbanks, Alaska 99709-3942

Re: CPF No. 4-2024-046-NOPV

Dear Mr. Deal:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation and specifies actions that need to be taken to comply with the pipeline safety regulations. When the terms of the compliance order are completed, as determined by the Director, Southwest 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 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosures (Final Order and NOPV)

cc: Mr. Bryan Lethcoe, Director, Southwest Region, Office of Pipeline Safety, PHMSA
Mr. Jim Rasmussen, Operations Engineer, Interior Gas Utility, jasmussen@interiorgas.com
Ms. Elena Sudduth, General Manager, Interior Gas Utility, esudduth@interiorgas.com
Mr. Jeremiah Flint, Operations Manager, Interior Gas Utility, jflint@interiorgas.com

CONFIRMATION OF RECEIPT REQUESTED

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

In the Matter of

**Interior Alaska Natural Gas Utility,
d/b/a Interior Gas Utility,**

Respondent.

CPF No. 4-2024-046-NOPV

FINAL ORDER

On August 29, 2024, pursuant to 49 C.F.R. § 190.207, the Director, Southwest Region, Office of Pipeline Safety (OPS), issued a Notice of Probable Violation (Notice) to Interior Gas Utility (Respondent). The Notice proposed finding that Respondent had violated the pipeline safety regulations in 49 C.F.R. Part 193. The Notice also proposed certain measures to correct the violations. Respondent did not contest the allegations of violation or corrective measures but requested additional time to complete the corrective measures.

Based upon a review of all of the evidence, pursuant to § 190.213, I find Respondent violated the pipeline safety regulation listed below, as more fully described in the enclosed Notice, which is incorporated by reference:

49 C.F.R. § 193.2801 (**Item 1**) — Respondent 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. Specifically, IGU failed to determine, 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, the fire protection required for Fairbanks Natural Gas (FNG) Donald Road Storage Facility #1 LNG facility (Storage Site #1) in accordance with section 9.1.2 of NFPA-59A-2001.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

Compliance Actions

Pursuant to 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the actions proposed in the enclosed Notice to correct the violations. Respondent requested an extension for part A.3 of the Notice to complete the corrective measures. Finding good cause,

the extension is approved. The corrective measures in part A.3 of the Notice must be completed by July 31, 2025. The corrective measures in parts A.1 and A.2 must be completed within the timeframe stated in the Notice. The Director may grant an additional 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. Upon completion of the ordered actions, Respondent may request that the Director close the case. Failure to comply with this Order may result in the assessment of civil penalties under 49 C.F.R. § 190.223 or in referral to the Attorney General for appropriate relief in a district court of the United States.

Warning Items

With respect to Items 2 and 3, the Notice alleged probable violations of 49 C.F.R. §§ 193.2635(d) and 193.2637, respectively, but did not propose a civil penalty or compliance order for these items. Therefore, these are considered to be warning items. If OPS finds a violation of these items in a subsequent inspection, Respondent may be subject to future enforcement action.

The terms and conditions of this order are effective upon service in accordance with 49 C.F.R. § 190.5.

October 10, 2024

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Date Issued