



U.S. Department of Transportation
**Pipeline and Hazardous Materials
Safety Administration**

8701 S. Gessner, Suite 630
Houston TX 77074

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: ppcherry@southernco.com

November 19, 2024

Pedro Cherry
President and Chief Executive Officer
Chattanooga Gas Company
10 Peachtree Place NE
Atlanta, GA 30309

CPF 4-2024-062-NOA

Dear Mr. Cherry:

From March 11 to 14, 2024, of the on-site inspection, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Chattanooga Gas Company's (Chattanooga Gas) procedures for the operations and maintenance of the Chattanooga Gas liquefied natural gas (LNG) facility in Chattanooga, Tennessee.

As a result of the inspection, PHMSA has identified an apparent inadequacy found within Chattanooga Gas's plans or procedures. The item inspected and the inadequacy is described below:

1. § 193.2605 Maintenance procedures.

(a)

(b) Each operator shall follow one or more manuals of written procedures for the maintenance of each component, including any required corrosion control. The procedures must include:

(1)

(2) A description of other actions necessary to maintain the LNG plant according to the requirements of this subpart.

§ 193.2637 Remedial measures.

Prompt corrective or remedial action must be taken whenever an operator learns by inspection or otherwise that atmospheric, external, or internal corrosion is not controlled as required by this subpart.

Chattanooga Gas's written procedures for conducting maintenance activities were inadequate to assure safe operation of a pipeline facility in accordance with § 193.2605(b)(2). Specifically, in Chattanooga Gas's procedure, *LNG Manual, Division IV - Maintenance, Section 3 Corrosion Control* (Rev. 14; May 16, 2023), the definition of "prompt corrective or remedial action" failed to include operator- and facility-specific instructions/procedures by failing to define "prompt" in accordance with § 193.2637.

After issuance of the preliminary written findings report, Chattanooga Gas submitted revised procedures that clarified "prompt" means within 15 months.

No further revisions are required.

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 Enforcement 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 Chattanooga Gas maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Bryan Lethcoe, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 4-2024-062-NOA** 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

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

cc: James M. Hotinger, PE, Manager, Compliance and Quality Assurance,
jhoting@southernco.com