



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 31, 2018

Mr. Ron Jorgensen
Vice President – Operations and Gas Control
Dominion Energy Questar Pipeline, LLC
P.O. Box 45360
Salt Lake City, UT 84145

CPF 5-2018-1002W

Dear Mr. Jorgensen:

On June 5 through 9, 2017 and July 17 through 21, 2017, a representative of the Arizona Corporation Commission (ACC), pursuant to Chapter 601 of 49 United States Code, inspected your Arizona Dominion Energy Questar Pipeline segments: Line 90 and Line 92. Records review for the 12-inch - Line 92 and the 16-inch- Line 90 facilities occurred in the Salt Lake City, Utah offices during June 5 through 9, 2017. Field inspections for these facilities were completed on July 17 through 21, 2017. These Arizona-based Dominion Energy Questar's pipelines stretch between the New Mexico and California State borders.

As a result of the inspection, it is alleged probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR) have been committed. The items inspected and the probable violation(s) are:

1. **§ 192.491 Corrosion control records.**
(c) Each operator shall maintain a record of each test, survey, or inspection required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that a corrosive condition does not exist. These records must be retained for at least 5 years, except that records related to

§192.465(a) and (e) and 192.475(b) must be retained for as long as the pipeline remains in service.

Although the requested records were provided for review, they were not completed in a correct manner and demonstrated insufficient detail to demonstrate the adequacy of corrosion control measures. The documentation provided during the inspection of the 2015 annual survey, lacked both the survey date and personnel identification for whom conducted the survey; this was shown on page 3 of the survey. The documentation, on page 41, also lacked the personnel identification for whom conducted the survey. For the 2016 annual survey audit, page 3 lacked the personnel identification for whom conducted the survey as well.

2. §192.614 Damage prevention program.

(c) The damage prevention program required by paragraph (a) of this section must, at a minimum:

(1) Include the identity, on a current basis, of persons who normally engage in excavation activities in the area in which the pipeline is located.

(2) Provides for notification of the public in the vicinity of the pipeline and actual notification of the persons identified in paragraph (c)(1) of this section of the following as often as needed to make them aware of the damage prevention program:

(i) The program's existence and purpose;

During the inspection, documentation was not available to establish that Dominion Energy Questar Pipeline Company provided damage prevention/public awareness information to Northern Pipeline Construction Company— Prescott Valley (NPL-PV). This was demonstrated by “Questar Southern Trails Pipeline 2017 Inspection” mailer list omitting NPL-PV as an existing excavator in areas where Dominion’s pipeline is located; this omission resulted in a lack of information concerning Dominion’s damage prevention program from being communicated or provided to NPL-PV.

3. §192.917 How does an operator identify potential threats to pipeline integrity and use the threat identification in its integrity program?

(b) Data gathering and integration. To identify and evaluate the potential threats to a covered pipeline segment, an operator must gather and integrate existing data and information on the entire pipeline that could be relevant to the covered segment. In performing this data gathering and integration, an operator must follow the requirements in ASME/ANSI B31.8S, section 4. At a minimum, an operator must gather and evaluate the set of data specified in Appendix A to ASME/ANSI B31.8S, and consider both on the covered segment and similar non-covered segments, past incident history, corrosion control records, continuing surveillance records, patrolling records, maintenance history, internal inspection records and all other conditions specific to each pipeline.

Dominion provided Patrol/Leak Survey documentation for Segment 13 (page 2), that was conducted on April 8, 2015, and it lacked required record header information. This header information documented the type of patrols done, the right-of-way condition, atmospheric corrosion inspections and other data associated with the patrol survey. Without this relevant information for the covered segment, the validity of the survey is questionable. Moreover, the survey record provided to ACC indicated the patrol survey was completed "on foot" by one individual for approximately 70-80 miles of right-of-way in one day. This amount and type of patrolling seems unlikely, or even possible, for an individual to complete in the amount of time stated in Dominion's records.

4. §192.736 Compressor stations: Gas detection

(b) Except when shutdown of the system is necessary for maintenance under paragraph (c) of this section, each gas detection and alarm system required by this section must—

(1) Continuously monitor the compressor building for a concentration of gas in air of not more than 25 percent of the lower explosive limit;

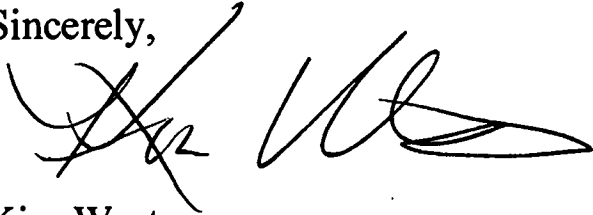
Documentation provided during the June 5-9, 2017 records inspection demonstrated 1.) Dominion's gas detector testing on June 3, 2014 at the Mohave Valley Station and 2.) December 8, 2014 at the Cameron Station. These records contained results showing detection levels had exceeded the "25 percent of the lower explosive limit (LEL)". Documents also showed upon completion of Dominion's testing at the above two locations, the higher settings were left at these unacceptable documented levels.

To clarify the inspection results mentioned above, the Gas Detectors Inspection Report for testing at the Mohave Valley compressor station, dated June 3, 2014, showed two methane detectors for the engine and fuel gas sensors were discovered and left at 26 percent and 27 percent of the LEL. In addition, the Gas Detectors Inspection Report documented gas detector testing at the Cameron compressor station, dated December 8, 2014, showed the methane detectors for the compressor, engine and generator sensors were found and left at 26 percent of the LEL. Additional data at this site revealed Sensor 3 was found at 25 percent of LEL and was adjusted and left at 26 percent of the LEL. This means the concentration of gas in air would be more than the prescribed 25 percent of the lower explosive limit. This is because the alarming sensors have been left at excessive detection levels.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$209,002 per violation per day the violation persists, up to a maximum of \$2,090,022 for a related series of violations. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 for a related series of violations. 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 correct the item(s) identified in this letter. Failure to do so will result in Dominion Energy Questar Pipeline, LLC being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 5-2018-1002W**. 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).

Sincerely,

A handwritten signature in black ink, appearing to be 'Kim West', written over a horizontal line.

Kim West
Acting Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP 60 Compliance Registry
PHP-500 H.M. Flaherty (#157168)