

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

OVERNIGHT EXPRESS DELIVERY

May 25, 2023

Mr. Paul Ruppert
President and Chief Executive Officer
Eastern Gas Transmission and Storage, Inc.
6603 West Broad Street
Richmond, Virginia 23200

CPF 1-2023-028-NOPV

Dear Mr. Ruppert:

From September 7 – November 10, 2022, representatives 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.) conducted onsite inspections of Eastern Gas Transmission and Storage, Inc.'s (EGT&S) procedures, records, and pipeline facilities in and around Luthersburg, Pennsylvania.

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

- 1. § 192.167 Compressor stations: Emergency shutdown.**
 - (a) Except for unattended field compressor stations of 1,000 horsepower (746 kilowatts) or less, each compressor station must have an emergency shutdown system that meets the following:**
 - (4) It must be operable from at least two locations, each of which is:**
 - (i) Outside the gas area of the station;**
 - (ii) Near the exit gates, if the station is fenced, or near emergency exits, if not fenced; and**

(iii) Not more than 500 feet (153 meters) from the limits of the station.

EGT&S failed to have an emergency shutdown system that is operable from at least two locations that are near exit gates for a fenced compressor station.

EGT&S' South Bend compressor station is an attended compressor station that is fenced and does not have at least two emergency shutdown system trigger valves that are near the exit gates. There are no emergency shutdown triggers located near an exit gate at this facility.

On October 20, 2022, the PHMSA inspector conducted field observations at the South Bend compressor station and noted the locations of the emergency shutdown system trigger valves. The PHMSA inspector did not observe any emergency shutdown system trigger valves at the fence line or near the man gates at the fence. In post-inspection communication with EGT&S, the PHMSA inspector requested documentation of the emergency shutdown system trigger valve locations at the South Bend compressor station. EGT&S provided a Google Earth screenshot with annotations indicating the locations of the trigger valves and the closest exit gates on the fence line. The documentation confirmed that there were no emergency shutdown system trigger valves near the exit gates.

Therefore, EGT&S failed to have an emergency shutdown system that was operable from at least two locations near exit gates at its South Bend compressor station pursuant to § 192.167(a)(4)(ii).

Proposed Compliance Order

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$257,664 per violation per day the violation persists, up to a maximum of \$2,576,627 for a related series of violations. For violation occurring on or after March 21, 2022 and before January 6, 2023, the maximum penalty may not exceed \$239,142 per violation per day the violation persists, up to a maximum of \$2,391,412 for a related series of violations. For violation occurring on or after May 3, 2021 and before March 21, 2022, the maximum penalty may not exceed \$225,134 per violation per day the violation persists, up to a maximum of \$2,251,334 for a related series of violations. For violation occurring on or after January 11, 2021 and before May 3, 2021, the maximum penalty may not exceed \$222,504 per violation per day the violation persists, up to a maximum of \$2,225,034 for a related series of violations. For violation occurring on or after July 31, 2019 and before January 11, 2021, the maximum penalty may not exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed \$213,268 per violation per day, with a maximum penalty not to exceed \$2,132,679. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022.

We have reviewed the circumstances and supporting documents involved in this case, and have decided not to propose a civil penalty assessment at this time.

With respect to Item 1, pursuant to 49 U.S.C. § 60118, the PHMSA proposes to issue a Compliance Order to EGT&S . Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

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. 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 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 1-2023-028-NOPV** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Robert Burrough
Director, Eastern Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration

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

PROPOSED COMPLIANCE ORDER

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

- A. In regard to Item 1 of the Notice, EGT&S shall install emergency shutdown system activation points near the exit gates of the South Bend Compressor station, in accordance with the requirements of § 192.167(a)(4). EGT&S shall complete this remedial action and submit validating documentation to the Director, Eastern Region within **120 days** of receipt of the Final Order.
- B. It is requested (not mandated) that EGT&S maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Robert Burrough, Director, Eastern 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.