

400 Seventh Street, S.W. Washington, D.C. 20590

Pipeline and Hazardous Materials Safety Administration

MAY 3 2007

Mr. Jeff Rush Vice President & General Manager Gas Transmission Northwest Corporation 1400 SW Fifth Ave Suite 900 Portland, OR 97201

Re: CPF No. 5-2003-0006

Dear Mr. Rush:

Enclosed is the Final Order issued by the Acting Associate Administrator for Pipeline Safety in the above-referenced case. It makes findings of violation and finds that you have completed the actions specified in the Notice required to comply with the pipeline safety regulations. This case is now closed. Your receipt of the Final Order constitutes service under 49 C.F.R. § 190.5.

Sincerely,

James Reynolds

Pipeline Compliance Registry
PHMSA-Office of Pipeline Safety

Enclosure

cc: Mr. Chris Hoidal, P.E.,

Director Western Region, PHMSA

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION OFFICE OF PIPELINE SAFETY WASHINGTON, DC 20590

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In the Matter of	
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)	
Gas Transmission Northwest Corporation,)	CPF No. 5-2003-0006
)	
)	
Respondent)	
)	

FINAL ORDER

On November 4-7, 2002, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration's (PHMSA's)¹ Office of Pipeline Safety conducted an on-site pipeline safety inspection of Respondent's² facilities from the United States—Canadian border to Raynesford, Idaho, as well as records in Respondent's Sand Point, Idaho, and Portland, Oregon, offices. As a result of the inspection, the Director, Western Region, PHMSA, issued to Respondent, by letter dated May 29, 2003, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent violated 49 C.F.R. § 192.739 (a-d) and proposed ordering Respondent to take certain measures to correct the alleged violations. The Notice also contained a warning that Respondent had committed a probable violation of 49 C. F. R. §192.459 and advised Respondent to take appropriate corrective action.

Respondent responded to the Notice in letters dated June 26, 2003, October 3, 2003, January 6, 2004, June 11, 2004, November 15, 2004, and April 12, 2005 (collectively, Response). Respondent did not contest the allegations of violation but provided information concerning the corrective actions it had taken. Respondent did not request a hearing, and therefore has waived its right to one.

¹ Effective February 20, 2005, the Pipeline and Hazardous Materials Safety Administration (PHMSA) succeeded Research and Special Programs Administration as the agency responsible for regulating safety in pipeline transportation and hazardous materials transportation. <u>See</u>, section 108 of the Norman Y. Mineta Research and Special Programs Improvement Act (Public Law 108-426, 118 Stat. 2423-2429 (November 30, 2004)). <u>See also</u>, 70 Fed. Reg. 8299 (February 18, 2005) redelegating the pipeline safety authorities and functions to the PHMSA Administrator

² The Notice of Probable Violation and Proposed Compliance Order was issued to PG&E National Energy Group. In 2004, TransCanada Corporation acquired Gas Transmission Northwest Corporation, which does business as the TransCanada GTN System.

FINDING OF VIOLATION

Based upon the Notice and information submitted by Respondent, I find that Respondent violated of 49 C.F.R. § 192.739 (a-d), as follows:

Notice Item 2 - By failing to complete inspection and testing of pressure regulators or pressure relief valves associated with the fuel gas systems for each compressor station once each calendar year not to exceed 15 months and failing to maintain overpressure protection to ensure that the segment in the United States met U.S. requirements.

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

COMPLIANCE ORDER

The Notice proposed a Compliance Order with respect to Items 2a and 2b in the Notice. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under Chapter 601. The Director, Western Region, PHMSA, indicates that Respondent has amended its program/procedures and addressed the matters concerning inspections and records specified in the proposed compliance order.

Accordingly, since compliance has been achieved with respect to these violations, the compliance terms are not included in this Order.

WARNING ITEM

With respect to Item 1, the Notice alleged a probable violation of Part 192 but did not propose a civil penalty or compliance order for this item. Therefore, this is considered to be a warning item. Pursuant to 49 C.F.R. § 190.205, Respondent is warned that if PHMSA finds a violation for this item in a subsequent inspection, enforcement action will be taken.

The terms and conditions of this Final Order are effective on receipt.

leffrey Iv. Wiese Acting Associate Administrator Date Issued

of Pipeline Safety