



U.S. Department
Of Transportation
Pipeline and
Hazardous Materials
Safety Administration

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.989.2171

WARNING LETTER

OVERNIGHT EXPRESS DELIVERY

September 18, 2015

J. Andrew Drake
Vice President, Operations & EHS
Algonquin Gas Transmission Co (Spectra Energy Corp)
5400 Westheimer Court
Houston, TX 77056

CPF 1-2015-1024W

Dear Mr. Drake:

On August 5, 2015, an inspector from the Connecticut Department of Energy and Environmental Protection (CT DEEP) acting as Agent for the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code inspected the Algonquin Gas Transmission Company (AGT) main construction work along the pipeline right-of-way (ROW) downstream of Fitch Hill Road, Montville, Connecticut.

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

1. §192.305 Inspection: General.

Each transmission line or main must be inspected to ensure that it is constructed in accordance with this part.

AGT failed to ensure that a transmission main was constructed in accordance with Subpart G requirements, specifically in compliance with operator specifications or standards required by §192.303 which states: "Each transmission line or main must be constructed in accordance with comprehensive written specifications or standards that are consistent with this part."

AGT failed to install warning tape in accordance with AGT specifications.

During the inspection, conducted August 5, 2015, the CT DEEP inspector observed padding and backfilling of the E-1L 12" line installation. The work was being conducted downstream of the Montville gate station located on Fitch Hill Road in Montville:

1. The new pipeline was lowered into the trench and placed on sand bags.
2. The crew used a shaker bucket to screen excavated material for the backfill around the pipe.
3. Approximately 100 to 150 feet of pipeline was backfilled to grade.

At the end of the subject work area, the CT DEEP inspector observed that there was no warning tape visible. The CT DEEP inspector asked the AGT project inspector on site, and he confirmed that no warning tape had been installed. The AGT project inspector stated that he had questioned the need for warning tape with other AGT project inspectors and had been told that there was no requirement for warning tape on this job.

The CT DEEP inspector checked the standards and drawings for this project. The mechanical standards drawing numbered SG-0007, which is part of the Mechanical Standards package, requires the installation of 24 inch wide warning tape over the pipe, 1 to 1.5 feet below grade. The CT DEEP notified AGT of this requirement and the Contractor agreed to excavate down to the line to install warning tape.

AGT failed to install warning tape in accordance with AGT specifications, and subsequently remediated the shortfall after it was pointed out by the CT DEEP inspector.

Evidence is based on CT DEEP observations, photographs, AGT drawings and specifications, and statements made by the AGT project inspector to the CT DEEP inspector.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 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 the AGT being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, please address your correspondence to: Byron Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628 and please refer to **CPF 1-2015-1024W**. 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).

Additionally, if you choose to respond to this (or any other case), please ensure that any response letter pertains solely to one CPF case number.

Sincerely,

Byron Coy, PE
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

Cc: Mr. Karl Baker, CT DEEP