

## WARNING LETTER

### CERTIFIED MAIL – RETURN RECEIPT REQUESTED

September 23, 2009

Mr. Jeryl Mohn  
Senior Vice President, Operations and Engineering  
Florida Gas Transmission Company, LLC  
5444 Westheimer Road  
Houston, TX 77056

**CPF 2-2009- 1004W**

Dear Mr. Mohn:

On June 22 through August 14, 2009, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code, conducted an onsite pipeline safety inspection of your Florida Gas Transmission (FGT) pipeline facilities for the Gulf Coast, Central and South Florida Areas. The pipeline records were reviewed at the Maitland and Tallahassee, Florida offices.

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, Part 192. The items inspected and the probable violations are:

**1. §192.201(b) Required capacity of pressure relieving and limiting stations.**

**(b) When more than one pressure regulating or compressor station feeds into a pipeline, relief valves or other protective devices must be installed at each station to ensure that the complete failure of the largest capacity regulator or compressor, or any single run of lesser capacity regulators or compressors in that station, will not impose pressures on any part of the pipeline or distribution system in excess of those for which it was designed, or against which it was protected, whichever is lower.**

As a result of an abnormal condition that Safety Harbor Team recently experienced, FGT installed program logic to close the by pass valve 30-0 at the Plant City compressor station 30 when the compressor station is not running and the by pass valve is open to prevent the 14 inch Saint Pete discharge lateral from over pressuring the suction side of the compressor station. The Saint Pete discharge pipeline is bi-directional and sometimes FGT needs natural gas to flow in

the reverse direction (East to West) to feed back into the suction side of the compressor station to provide natural gas to the West side of the pipeline system due to varying system demands. At this time, FGT only has one level of over pressure protection and needs to ensure another layer of over pressure protection in case program logic fails to close the by pass valve and not protect the suction side of the compressor station 30. The compressor station suction pipeline has a lower maximum allowable operating pressure (MAOP) than the discharge pipeline.

**2. §192.745 Valve maintenance: Transmission lines.**

**(a) Each transmission line valve that might be required during any emergency must be inspected and partially operated at intervals not exceeding 15 months, but at least once each calendar year.**

FGT Mt. Vernon team did not have a 2008 record of service for valve 44-0. FGT upgraded the data base and this valve was not included into the new data base.

**3. §192.739 Pressure limiting and regulating stations: Inspection and testing.**

**(a) Each pressure limiting station, relief device (except rupture discs), and Pressure regulating station and its equipment must be subjected at intervals not exceeding 15 months, but at least once each calendar year, to inspections and tests.**

FGT Quincy team did not have a 2007 maintenance record for the Hopkins New regulators and missed the 15 month requirement for the Hopkins West regulators. The Hopkins West regulators were serviced in February 2007 and September 2008. (This was caused by a data base upgrade error and the information was not loaded.)

**4. §192.731 Compressor stations: Inspection and testing of relief devices.**

**(a) Except for rupture discs, each pressure relieving device in a compressor station must be inspected and tested in accordance with §§192.739 and 192.743, and must be operated periodically to determine that it opens at the correct set pressure.**

**(b) Any defective or inadequate equipment found must be promptly repaired or replaced.**

**(c) Each remote control shutdown device must be inspected and tested at intervals not exceeding 15 months, but at least once each calendar year, to determine that it functions properly.**

FGT Quincy team missed the 15 month requirement for inspecting and testing pressure controls for the Quincy Compressor station. FGT records show the test was conducted on January 2007 and June 2008. (This was caused by a data base upgrade error.)

**5. §192.465 External corrosion control: Monitoring.**

**(a) Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of §192.463.**

FGT Caryville team missed the 2008 pipe to soil reading on the 100 line at mile post 374.768 “Hwy 69” (test point 273215).

The Caryville team missed the 15 month interval requirement on the 100 line at mile post 27.678 (test point 146139) “Valve at the Smith Power plant”. Pipe to Soil Readings were taken on 3/6/08 and 8/5/09.

In addition to the items above, we also noted the following item of concern:

In reviewing FGT cathodic protection records on Alternating Current (AC) interference, some of the induced AC voltages were over 15 volts. FGT is planning to take remedial action to minimize the AC interference. The current AC voltage readings on the Anclote pipeline are:

Anclote Pipeline

Station	Mile Post	Location	Old AC Reading
268+45	5.08	CLT 224	26.14 Volts (V)
309+71	5.87	CLT227	22.71
354+79	6.72	CLT230	25.58
421+40	7.98	CLT235	36.67

Under 49 United States Code, §60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violations persists up to a maximum of \$1,000,000 for any 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 items identified in this letter. Failure to do so will result in FGT 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 2-2009-1004W**. 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,

Linda Daugherty  
Director, Southern Region  
Pipeline and Hazardous Materials Safety Administration