



THE COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF PUBLIC UTILITIES

CHARLES D. BAKER  
GOVERNOR

KARYN E. POLITO  
LIEUTENANT GOVERNOR

KATHLEEN A. THEOHARIDES  
SECRETARY OF ENERGY  
AND ENVIRONMENTAL AFFAIRS

ONE SOUTH STATION  
BOSTON, MA 02110  
(617) 305-3500

MATTHEW H. NELSON  
CHAIR

ROBERT E. HAYDEN  
COMMISSIONER

CECILE M. FRASER  
COMMISSIONER

**NOTICE OF PROBABLE VIOLATION**  
**ELECTRONIC MAIL – READ RECEIPT REQUESTED**

April 9, 2020

D.P.U. 19-PL-27

Mark Prewitt  
Vice President, Pipeline Safety & Compliance  
National Grid  
40 Sylvan Road  
Waltham, MA 02451

Re: D.P.U. 19-PL-27, [REDACTED] LNG Comprehensive Investigation

Dear Mr. Prewitt:

The Pipeline Safety Division (“Division”) of the Department of Public Utilities (“Department”) issues this Notice of Probable Violation (“NOPV”) to Boston Gas Company d/b/a National Grid (“National Grid” or “Respondent”) pursuant to 220 CMR 69.03 and Delegation Order, D.P.U. 18-44-A (2018).

During May and October 2019, the Division inspected the liquefied natural gas (“LNG”) facility at National Grid’s [REDACTED] location, pursuant to G.L. c.164, §§ 76 and 105A and 220 CMR 69.02. On November 1, 2019, the Division issued an Exit Letter to National Grid outlining preliminary findings from the inspection, to which the company responded with further

information on November 27, 2019. As discussed in detail below, the Division conducted further investigation into the matter and has reason to believe that Respondent may have violated 49 C.F.R. Part 193 (“Part 193”).

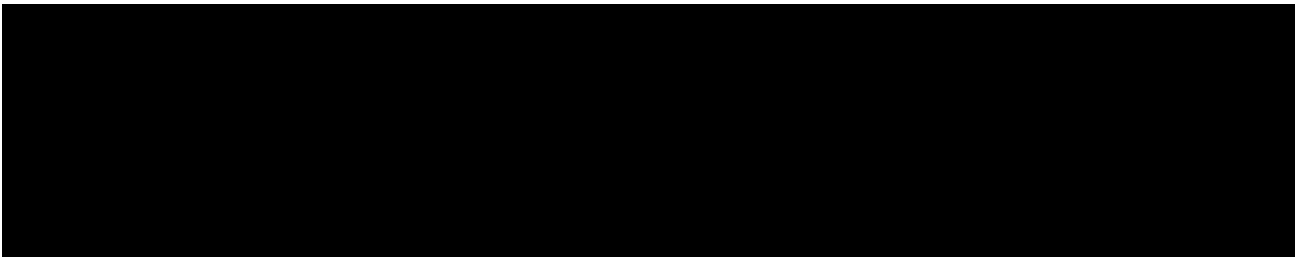
I. FINDINGS

A. Auxiliary Power Sources (49 C.F.R. § 193.2613)

Section 193.2613 states, “Each auxiliary power source must be tested monthly to check its operational capability and tested annually for capacity. The capacity test must take into account the power needed to start up and simultaneously operate equipment that would have to be served by that power source in an emergency” (emphasis added). A review of maintenance records revealed that National Grid failed to test auxiliary power equipment within the required interval of once per month and failed to test auxiliary power equipment with capacity within the required interval of once annually. The review also indicated that a 2017 procedure change removed the testing of every generator every month, as required by § 193.2613.

National Grid’s response to the exit letter confirmed the Division’s allegation and acknowledged that following the transition when prime power generators became emergency generators, plant personnel mistakenly thought that testing just one generator per month and one generator load test per year met the code requirements. National Grid revised the procedure in November 2019 to indicate that all three generators are to be tested monthly.

B. Control Systems (49 C.F.R. § [REDACTED])



[REDACTED]

In its response to the exit letter, National Grid acknowledged [REDACTED]

[REDACTED]

C. Transfer Hose Records (49 C.F.R. § 193.2621)

Section 193.2621(a) states, “Hoses used in LNG or flammable refrigerant transfer systems must be: (a) Tested once each calendar year, but with intervals not exceeding 15 months, to the maximum pump pressure or relief valve setting.” A review of transfer hose inspection records could not find evidence of inspections conducted during calendar years 2015 and 2017.

In response to the exit letter, National Grid acknowledged that it could not find the hose leak test records for 2015, and provided an incomplete record sheet for hose leak testing in 2017.

D. Maintenance Records (49 C.F.R. § 193.2639)

Section 193.2639(c)(2) states, “Each of the following records must be retained for as long as the LNG facility remains in service: (2) Records of each test, survey, or inspection required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures.”

A review of atmospheric corrosion records revealed a lack of records for the period 2006 to 2011, exceeding the three-year inspection interval.

National Grid’s response to the exit letter confirmed that the records were missing.

II. ALLEGATIONS

Based on the investigation, the Division has reason to believe that Respondent's failure to review and properly update procedures, test systems, and maintain records may be in violation of the following sections of federal pipeline safety regulations: Part 193, §§ 193.2613, 193.2621(a), 193.2639(c)(2). The Division also has reason to believe that Respondent may be in violation of the following state pipeline safety regulations:

220 CMR 112.11: Plans and Procedures

(1) At each LNG plant, the operator shall prepare, adhere to, and maintain in promptly updated form the plans and procedures required by 220 CMR 112.00 and by 49 C.F.R. Part 193 for that plant. The plans and procedures shall be made available on request by the Department for review and inspection. In addition, each change to the plans or procedures shall be available at the LNG plant for review and inspection within 20 days after the change is made.

220 CMR 112.12: Records

(1) Each operator shall keep records adequate to substantiate compliance with 49 C.F.R. Part 193 and 220 CMR 112.00.

III. PROPOSED CIVIL PENALTY

Under G.L. c. 164, § 105A, National Grid is subject to a civil penalty not to exceed \$200,000 for each violation for each day that the violation exists, up to a maximum of \$2,000,000 for any related series of violations.

In determining the amount of the civil penalty, the Division shall consider the following, pursuant to G.L. c. 164, § 105A: the appropriateness of the penalty to the size of the business of the person, firm, or corporation charged; the gravity of the violation; and the good faith of the person, firm, or corporation charged in attempting to achieve compliance, after notification of a violation.

In the present matter, the Division has reviewed the circumstances of the allegations and is prepared to resolve this matter upon National Grid's agreement to the terms in the attached Consent Order and payment of a civil penalty in the amount of \$50,000.

IV. RESPONSE TO THIS NOPV

Within 30 days of receipt of this NOPV, National Grid shall respond to the Division in one of the following ways, pursuant to 220 CMR 69.04:

1. Sign and return the attached Consent Order, thus agreeing to remit payment of the civil penalty by check or money order made payable to the Commonwealth of Massachusetts;
2. Submit an offer in compromise of the proposed civil penalty under 220 CMR 69.04(2);
3. Request an informal conference under 220 CMR 69.05; or
4. Submit a written reply to the Division disputing the allegation(s) contained in the NOPV. The reply must include a complete statement of all relevant facts and authority and full description of the reasons why the Respondent disputes the allegation(s) contained in the NOPV.

Failure to respond within 30 days of receipt of this NOPV will be deemed an admission to the allegations contained herein and a waiver of National Grid's right to contest the allegations. If National Grid fails to respond within 30 days, the Department may, without

National Grid, D.P.U. 19-PL-27  
Notice of Probable Violation  
April 9, 2020

Page 6

further notice, find the facts to be as alleged herein and issue a final Order, pursuant to  
220 CMR 69.04(3).

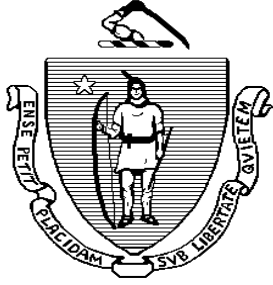
Very truly yours,

/s/

Richard Enright, Director  
Pipeline Safety Division

Enclosures: Consent Order  
Compliance Agreement

Cc: Stephen M. Bell, Director, Pipeline Safety & Compliance  
Thomas P. Kubilis, Manager, Pipeline Safety & Compliance  
Laurie Ellen Weisman, Division Counsel  
Janine Vargas, Assistant General Counsel



# The Commonwealth of Massachusetts

## DEPARTMENT OF PUBLIC UTILITIES

### CONSENT ORDER

April 9, 2020

D.P.U. 19-PL-27

In the matter of Boston Gas Company d/b/a National Grid

---

#### **I. JURISDICTION**

1. This document, with the attached Compliance Agreement, is a Consent Order entered into between the Pipeline Safety Division (“Division”) of the Department of Public Utilities (“Department”) and Boston Gas Company d/b/a National Grid (“Respondent”), and is executed in accordance with 220 CMR 69.08.
2. The Division has authority to enter into this Consent Order on behalf of the Department pursuant to Delegation Order, D.P.U. 18-44-A (2017).
3. Failure to comply with the terms of this Order may result in the assessment of civil penalties and referral of this matter to the Attorney General for appropriate action.
4. The terms and conditions of this Order become effective upon signing by the authorized representatives of the Respondent and the Department.
5. Respondent has stipulated and consented to the issuance of this Consent Order.

#### **II. VIOLATIONS AND CIVIL PENALTY**

1. Pursuant to G.L. c. 164, §§ 76 and 105A, and 220 CMR 69.02, the Division conducted a pipeline safety inspection of the Respondent’s facilities and records. As a result of the inspection, the Director of the Division issued to the Respondent a Notice of Probable Violation (“NOPV”), D.P.U. 19-PL-27, dated April 9, 2020, in accordance with 220 CMR 69.03. The NOPV is attached hereto and made a part hereof.
2. Based on information contained in the NOPV, the Division finds that the Respondent violated pipeline safety regulations contained in 49 C.F.R. Part 193 (“Part 193”) and 220 CMR 112.00, specifically:

**Part 193, §193.2613 - Auxiliary power sources**

**Part 193, §193.2613 - Control systems**

**Part 193, §193.2621(a) - Testing transfer hoses**

**Part 193, §193.2639(c)(2) - Maintenance records**

**220 CMR 112.11(1): Plans and Procedures**

**220 CMR 112.12(1): Records**

3. Pursuant to G.L. c. 164, § 105A, the Division hereby imposes upon the Respondent a civil penalty in the amount of \$50,000 for the above-noted violations.
4. The Respondent hereby agrees, upon signing and returning this Consent Order to the Division, to remit payment of the civil penalty by check or money order in the amount of \$50,000 made payable to the Commonwealth of Massachusetts, One South Station, Boston, MA 02110.

**III. RESPONDENT REQUIREMENTS**

1. **Respondent shall sign the Stipulation below and return this complete document to the Division.**
2. All submissions by Respondent in accordance with this Consent Order shall be addressed to:

Director  
Pipeline Safety Division  
Department of Public Utilities  
One South Station  
Boston, MA 02110

**IV. STIPULATED TERMS**

Pursuant to 220 CMR 69.08(1), the Respondent through the signature below, by the person to whom this Consent Order is issued or a duly authorized representative, acknowledges agreement to the terms contained herein without admitting or denying that a violation of any Department or federal pipeline safety law or regulation occurred in relation to the above-noted matters. Further, Respondent agrees to issuance of this Consent Order and stipulates to the following:

1. Respondent, by signing the Stipulation, hereby waives:
  - (a) All rights to informal review pursuant to 220 CMR 69.05;
  - (b) All rights to a hearing pursuant to 220 CMR 69.06;
  - (c) Any and all procedural rights available in connection with the issuance of the Consent Order;
  - (d) All rights to seek any type of administrative or judicial review of the Consent Order;  
and
  - (e) Any and all rights to challenge or contest the validity of the Consent Order.
2. Respondent expressly acknowledges that neither Respondent nor the Division has any intention to enter into a contract.
3. The terms and provisions of this Consent Order and Stipulation shall be binding upon, and inure to the benefit of, Respondent and the Division and their successors in interest.



4. Nothing in these Stipulated Terms shall preclude any proceedings brought by the Department to enforce the terms of the Consent Order, and nothing in these Stipulated Terms constitute, nor shall Respondent contend that they constitute, a waiver of any right, power, or authority of any other representative of the Commonwealth or an agency thereof to bring other actions deemed appropriate.

**V. FINAL ORDER**

1. This Consent Order and Stipulation is intended to be, and shall be construed to be, a final order of the Department issued pursuant to G.L. c. 25, § 5, having the force and effect of a remedial order, pursuant to 220 CMR 69.07(2), and expressly does not form, and may not be considered to form, a contract binding on the Division, the Department, or the Commonwealth of Massachusetts.
2. The terms of this Consent Order and Stipulation, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreement, or prior arrangements between the Division and the Respondent, whether oral or written.

By Order of the Division

\_\_\_\_\_ Date: \_\_\_\_\_  
Richard Enright, Director  
Pipeline Safety Division  
Department of Public Utilities

**The undersigned, duly authorized, stipulates to and acknowledges agreement to the terms herein.**

**BOSTON GAS COMPANY D/B/A NATIONAL GRID**

\_\_\_\_\_ Date: \_\_\_\_\_  
Mark Prewitt  
Vice President, Pipeline Safety & Compliance

COMPLIANCE AGREEMENT  
BETWEEN THE DEPARTMENT OF PUBLIC UTILITIES  
AND BOSTON GAS COMPANY D/B/A NATIONAL GRID

D.P.U. 19-PL-27

Boston Gas Company d/b/a National Grid (“Respondent”) agrees to take the following actions within the specified time periods:

1. Within 120 days of the effective date of this Order, National Grid shall modify its [REDACTED] LNG facility monthly generator inspection procedures to perform an operational test on every generator every month and modify its annual generator procedures to perform a capacity test on every generator every year.
2. Within 150 days of the effective date of this Order, National Grid shall provide the Division a copy of each of the procedures referenced in Item 1 and any associated checklists to be used as part of such a test.
3. Within 180 days of the effective date of this Order, National Grid shall provide appropriate personnel training on the revised procedures and submit documentation of this training to the Division
4. Within 180 days of the effective date of this Order, National Grid shall make note of areas where maintenance records are missing in accordance with the records retention requirements of 49 C.F.R. Part 193, § 193.2639.
5. Within 200 days of the effective date of this Order, National Grid shall provide documentation to the Division showing that it has satisfied the requirements of Item 4.
6. Within 30 days of the effective date of this Order, Columbia Gas shall pay a civil penalty of \$50,000 to the Commonwealth of Massachusetts.