



THE COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF PUBLIC UTILITIES

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SECRETARY OF ENERGY
AND ENVIRONMENTAL AFFAIRS

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

MATTHEW H. NELSON
CHAIR

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COMMISSIONER

CECILE M. FRASER
COMMISSIONER

NOTICE OF PROBABLE VIOLATION
ELECTRONIC MAIL – RETURN RECEIPT REQUESTED

July 13, 2020

D.P.U. 19-PL-36

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

Re: [REDACTED] LNG Pump Commissioning

Dear Mr. Prewitt:

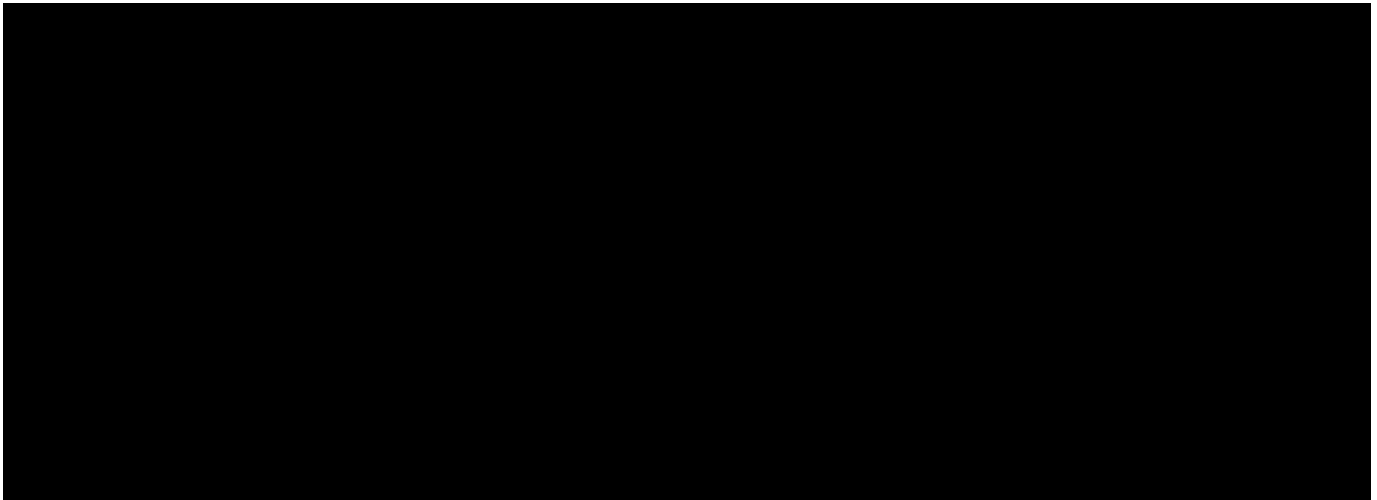
The Pipeline Safety Division (“Division”) of the Department of Public Utilities (“Department”) issues this Notice of Probable Violation (“NOPV”) to Boston Gas Company d/b/a National Grid (“Company” or “National Grid” or “Respondent”) pursuant to 220 CMR 69.03 and Delegation Order, D.P.U. 18-44-A (2018).

On September 19, 2019, the Division inspected National Grid’s [REDACTED] liquefied natural gas (“LNG”) plant, pursuant to G.L. c.164, §§ 76 and 105A, and 220 CMR 69.02. On December 3, 2019, the Division issued an Exit Letter outlining preliminary findings from the inspection. On December 19, 2019, National Grid responded with further information, acknowledged that the commissioning team failed to follow pump commissioning

procedures, and indicated that it completed all corrective actions. 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

On November 2, 2017, an incident occurred while National Grid was in the process of commissioning its new LNG pumps. The commissioning was led by a National Grid contractor, with National Grid representatives present. National Grid completed an abnormal operating report after the incident and initiated an incident investigation. The findings of the investigation are highlighted below.



No personnel were injured or equipment damaged because the pressure safety valve (“PSV”) system operated as designed. The PSV alarms are set at [REDACTED] psig. The pressure in the line was documented at [REDACTED] psig. The design of the line is [REDACTED] psig. The normal operating pressure is [REDACTED] psig.

National Grid performed a visual inspection of the affected piping. The commissioning team walked the affected pipe, from discharge [REDACTED] to the isolation valve. The team did not

identify any abnormalities with the pipe inspected. National Grid determined that the root cause was from the commissioning team's failure to follow procedures when it opened the discharge valve on LNG [REDACTED]

II. ALLEGATIONS

Based on the investigation, the Division has reason to believe that Respondent's failure to follow its Operations and Maintenance Procedures, resulting in the activation of a relief valve, may be in violation of certain sections of its procedures and federal pipeline safety regulations, Part 193. The alleged violations of Part 193 are as follows:

1. Part 193, [REDACTED]

Each operator shall follow one or more manuals of written procedures to provide safety in normal operation and in responding to an abnormal operation that would affect safety. The procedures must include provisions for:

[REDACTED]

[REDACTED]

2. Part 193 [REDACTED]

[REDACTED]

III. PRIOR CONSENT ORDER VIOLATIONS

National Grid has signed the following Consent Order that pertains to a similar violation of Part 193, [REDACTED] D.P.U. 19-PL-40.

IV. 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 \$75,000.

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

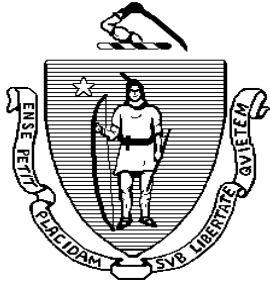
Very truly yours,

/s/

Richard Enright, Director
Pipeline Safety Division

Enclosures: Consent Order
Compliance Agreement

Cc: Alexander Day, National Grid
Thomas Kubilis, National Grid
Michael Conkey, Assistant Director, Pipeline Safety Division
Janine D'Amico Vargas, Assistant General Counsel, Pipeline Safety Division
Laurie Ellen Weisman, Division Counsel, Pipeline Safety Division



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

CONSENT ORDER

July 13, 2020

D.P.U. 19-PL-36

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-36, dated July 13, 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, specifically:

Part 193, [REDACTED]
Part 193, [REDACTED]
Part 193, [REDACTED]

3. Pursuant to G.L. c. 164, § 105A, the Division hereby imposes upon the Respondent a civil penalty in the amount of \$75,000 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 \$75,000 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-36

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

1. Within 30 days of the effective date of this Order, National Grid shall pay a civil penalty of \$75,000 to the Commonwealth of Massachusetts.
2. Within 20 days of the effective date of this Order, National Grid shall train the commissioning team on National Grid’s Management of Change policy.
3. Within 30 days of the effective date of this Order, National Grid shall provide documentation demonstrating that it has completed Item 2.
4. Within 30 days of the effective date of this Order, National Grid shall [REDACTED]
[REDACTED]
[REDACTED]
5. Within 40 days of the effective date of this Order, National Grid shall provide documentation demonstrating that it has completed Item 4.