

## Lyons Sara

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**From:** McDill, John S <[REDACTED]>  
**Sent:** Monday, July 5, 2021 7:44 PM  
**To:** Lyons Sara  
**Cc:** Jenner Steve; Gunaratnam Rachael  
**Subject:** RE: Document Request - Farmersville, TX (PLD21FR002)  
**Attachments:** AEC-APT-NTSB-000134 (Gauge Pig Specifications - S.U.N. Model 2CC-SM-24 inch).pdf

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Sara,

In response to your request yesterday, the data below pertains to the section of the D17 transmission line for which launcher 2 is connected within the D17/17-9 junction station.

- MAOP: 800 psig
- MOP: 731 psig (highest within previous 5 years) on upstream pressure transmitter
- Pressure History: After review of the pressure readings for the monitor/sensor upstream of Launcher 2 for the past 5 years, the MAOP was not exceeded within that time frame. The highest pressure observed at the downstream pressure transmitter since January 1, 2021 was 728 psig.
- Class Location: Class 1
- HCA: This location does not fall within an HCA
- MCA: Our MCA identification for pipeline segments at this site is on-going, but we have preliminarily identified this as a potential MCA
- Pig Specifications: Attached and will be uploaded to Acellion site

We are still gathering information on the first two items requested and will provide that to you as soon as we are able.

Of course, if you need further clarification or information, please let me know.

John

John S McDill | VP Pipeline Safety | Atmos Energy Corporation | [REDACTED] Office |  
[REDACTED] | [www.atmosenergy.com](http://www.atmosenergy.com)

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**From:** Lyons Sara <[REDACTED]>  
**Sent:** Sunday, July 4, 2021 4:07 PM  
**To:** McDill, John S <[REDACTED]>  
**Cc:** Jenner Steve <[REDACTED]>; Gunaratnam Rachael <[REDACTED]>  
**Subject:** [EXT] RE: Document Request - Farmersville, TX (PLD21FR002)

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John,

## Lyons Sara

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**From:** Smith, Gregory W <[REDACTED]>  
**Sent:** Thursday, September 30, 2021 1:42 PM  
**To:** McDill, John S; Lyons Sara  
**Subject:** FW: Response on Closure - Farmersville, TX (PLD21FR002)  
**Attachments:** AEC-APT-NTSB-000826 (Tube Turn Manual Section).pdf

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Sara –

Attached as bates # 000826 is a portion of a Tube Turn manual we located with a copyright date of 1965. We were unable to locate operation and maintenance information specific to the 400-H model 26" Tube Turn hinged closure. Other than the two horizontal bolts securing the door, there was not a separate device to prevent opening of the closure if pressure had not been relieved.

Greg W Smith  
[REDACTED]

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**From:** Lyons Sara <[REDACTED]>  
**Sent:** Friday, September 17, 2021 9:51 AM  
**To:** Smith, Gregory W <[REDACTED]>; McDill, John S <[REDACTED]>  
**Subject:** [EXT] RE: Drawings of Launcher - Farmersville, TX (PLD21FR002)

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Greg,

Thanks for checking with the manufacturer. Can you confirm that Atmos does not have any operation and maintenance information for the 400-H model 26" Tube Turn hinged closure? Also, please indicate whether there was a device to prevent opening of the closure if pressure had not been relieved.

-Sara

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**From:** Smith, Gregory W <[REDACTED]>  
**Sent:** Friday, September 17, 2021 9:55 AM  
**To:** Lyons Sara <[REDACTED]>; Panagiotou Joseph <[REDACTED]>; McDill, John S <[REDACTED]>  
**Subject:** FW: Drawings of Launcher - Farmersville, TX (PLD21FR002)

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Sara –

I am attaching an April 15, 1967 Purchase Requisition for the 400-H model 26" Tube Turn hinged closure (bates 000680).

We contacted Sypris Technologies which currently manufactures and sells Tube Turns closures. They no longer manufacture the 400-H series and said they do not have any product brochures or manuals available for this particular model.

I am also re-sending the pdf drawing of the launcher which now includes a bates label (bates 000670-000671).

Greg W Smith  
[REDACTED]

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**From:** Lyons Sara <[REDACTED]>  
**Sent:** Wednesday, September 15, 2021 12:17 PM  
**To:** Smith, Gregory W <[REDACTED]>; Panagiotou Joseph <[REDACTED]>  
**Cc:** McDill, John S <[REDACTED]>  
**Subject:** [EXT] RE: Drawings of Launcher - Farmersville, TX (PLD21FR002)

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Thanks Greg.

Can you clarify the model and year of the Tube Turns hinged closure? Please also include the operation and maintenance information provided by the manufacturer and/or vendor.

I'm not requesting a revision to the drawing, just the additional information to be provided separately.

-Sara

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**From:** Smith, Gregory W <[REDACTED]>  
**Sent:** Wednesday, September 15, 2021 10:05 AM  
**To:** Lyons Sara <[REDACTED]>; Panagiotou Joseph <[REDACTED]>  
**Cc:** McDill, John S <[REDACTED]>  
**Subject:** RE: Drawings of Launcher - Farmersville, TX (PLD21FR002)

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Sara,  
Attached are the .pdf and CAD file. In response to your earlier question about the origin of the launcher, we have determined that parts of the launcher (including the 26" barrel/reducer) were moved from their original location to the Farmersville site in 2008. At that time, the launcher underwent significant work to make it ready for operation.

Please let me know if you have any questions.

Thank you,

Greg W Smith

Dir System Integrity & Compliance

## Lyons Sara

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**From:** McDill, John S <[REDACTED]>  
**Sent:** Tuesday, August 17, 2021 5:44 PM  
**To:** Lyons Sara  
**Subject:** RE: Information Request (inoperable 2-inch valve) - Farmersville, TX (PLD21FR002)

[CAUTION] This email originated from outside of the organization. Do not click any links or open attachments unless you recognize the sender and know the content is safe.

Sara –

This is to supplement our initial response below concerning the maintenance history of the 2" valve that was installed on the launcher. We are unable to locate any additional maintenance records other than those previously produced.

Please let me know if you have any questions.

John

John S McDill | VP Pipeline Safety | Atmos Energy Corporation | [REDACTED] Office |  
[REDACTED] | [www.atmosenergy.com](http://www.atmosenergy.com)

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**From:** Lyons Sara <[REDACTED]>  
**Sent:** Tuesday, August 3, 2021 8:33 AM  
**To:** McDill, John S <[REDACTED]>  
**Subject:** [EXT] RE: Information Request (inoperable 2-inch valve) - Farmersville, TX (PLD21FR002)

**CAUTION: Don't be quick to click. This e-mail originated from outside of Atmos Energy. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

Thanks John.

I will keep this request open, pending your review of additional records. Please provide an update in two weeks, by August 17, 2021.

-Sara

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**From:** McDill, John S <[REDACTED]>  
**Sent:** Monday, August 2, 2021 6:32 PM  
**To:** Lyons Sara <[REDACTED]>  
**Subject:** RE: Information Request (inoperable 2-inch valve) - Farmersville, TX (PLD21FR002)

[CAUTION] This email originated from outside of the organization. Do not click any links or open attachments unless you recognize the sender and know the content is safe.

Sara –

Our understanding is that the bull plug installed on the outlet side of the 2" valve could not be loosened without also loosening the valve's connection to the pipeline. Chris Thomas identified this issue in connection with a pig run, from a different launcher, that was performed in 2020 at the Farmersville site. However, since launcher #2 was not in the scope of work for that 2020 pigging operation, it was determined that the 2" valve could be re-evaluated later. At the

beginning of the 2021 D17 pigging operation, Chris discussed the issue with Rodger Ballinger, and they determined other valves could be used to complete the pigging operation and the 2" valve would be addressed following the completion of the project.

Maintenance on valves at the Farmersville site was performed by Raptor Rental and Production Services, LLC in 2021, and by Pacer Valve LLC in 2020. We previously produced the valve maintenance records for 2021 (bates 000058-000059), and are now attaching the value maintenance records for 2020 (bates 000645-000646). I am also attaching the Master Services Agreements for these companies (bates 000585-000618 and 000619-000644). We are continuing to review our files for valve maintenance work prior to 2020. To date, these are the records we have been able to locate.

Please let me know if you have any questions.

Thank you,

John

John S McDill | VP Pipeline Safety | Atmos Energy Corporation | [REDACTED] Office | [REDACTED]  
[REDACTED] | [www.atmosenergy.com](http://www.atmosenergy.com)

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From: Lyons Sara <[REDACTED]>  
Sent: Monday, July 26, 2021 7:33 AM  
To: McDill, John S <[REDACTED]>  
Subject: [EXT] Information Request (inoperable 2-inch valve) - Farmersville, TX (PLD21FR002)

**CAUTION: Don't be quick to click. This e-mail originated from outside of Atmos Energy. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

John,

Regarding the launcher's 2-inch valve that was inoperable at the time of the accident, provide any document that indicates when the valve was identified as inoperable, what was wrong with the valve, any plans for repair, and the maintenance history since it was installed.

Please provide this information at your earliest convenience, not later than Monday, August 2<sup>nd</sup>.

Thanks,  
-Sara

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Sara Lyons, P.E.  
Pipeline Investigator/Investigator-in-Charge  
Office of Railroad, Pipeline and Hazardous Materials Investigations  
National Transportation Safety Board  
[REDACTED]

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## Lyons Sara

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**From:** McDill, John S <[REDACTED]>  
**Sent:** Friday, September 24, 2021 7:20 PM  
**To:** Lyons Sara  
**Cc:** Smith, Gregory W  
**Subject:** RE: Information Request - Farmersville, TX (PLD21FR002) - (Basis for Pig Launching Procedures)  
**Attachments:** AEC-APT-NTSB-000681-000692 (Pipeline Integrity Management Plan (2004) – Sections 9.1, 9.2, and 9.6) .pdf; AEC-APT-NTSB-000702-000712 (Pipeline Integrity Management Plan - Appendix R (July 2019)).pdf; AEC-APT-NTSB-000693-000701 (Pipeline Integrity Management Plan (2004) – Section 11).pdf

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Sara –

Please see our responses to your questions below.

- **Pertaining to the Pipeline Integrity Management Plan:**
  - Indicate the source of the original version of the document.
    - *The original version of Atmos' PIM Plan was based on the framework developed by the Northeast Gas Association for the natural gas industry.*
  - Provide a copy of the following sections of the original document: Section 9 through the end of Section 9.2, Section 9.10, Section 11, Appendix R (\*If the numbering system has changed, provide the corresponding sections from the original version).
    - *Copies of these sections are attached as bates 000681-000692 (Section 9.1, 9.2, and 9.6), 000693-000701 (Section 11), and 000702-000712 (Appendix R). Note that Appendix R was developed independently by Atmos and was not part of the original Northeast Gas Association framework.*
  - Indicate whether Atmos, the original provider, or a contractor updates this document and what drives the update frequency (e.g., periodic, as-needed, etc.)
    - *Atmos periodically updates the PIM Plan on an as-needed basis.*
  - If the Pipeline Integrity Management Plan was acquired, provide the following additional information:
    - The organization that provided the original version
      - *The framework for Atmos' original PIM Plan was developed by the Northeast Gas Association for the natural gas industry.*
    - The date that the document was received
      - *Atmos acquired the framework for its original PIM Plan from the Northeast Gas Association in January of 2005.*
- **Pertaining to the use of flaring systems during pig loading and launching activities, indicate:**
  - when Atmos began using flaring systems to support these activities
    - *Atmos began using flaring systems to support pig loading and launching activities in February of 2021.*
  - what drove the change to using flaring systems (versus venting to the atmosphere)
    - *Flaring operations on our transmission assets provide an alternative to venting gas to the atmosphere, and have been used by Atmos and other operators for years. The Protecting Our Infrastructure of Pipelines and Enhancing Safety Act of 2020 (the PIPES Act of 2020) contains a self-executing mandate requiring operators to update their Operations and Maintenance plans by December 27, 2021 to adequately consider: "...(ii)...minimizing releases of natural gas from*

*pipeline facilities; and (iii) the protection of the environment.” On June 10, 2021, PHMSA published an Advisory Bulletin to remind operators that the PIPES Act of 2020 contains these mandates. Accordingly, we sought opportunities to reduce methane emissions from our transmission and distribution systems, and began extending the practice of flaring to pig loading and launching activities.*

- what steps Atmos took to evaluate the potential risks of the change
    - *We relied on our experience in safely flaring for other pipeline applications (including blow-downs, tie-ins, reducing pressure to facilitate the movement of in-line inspection tools, and evacuating odorant tanks and separators) when considering using a flare system for pig loading and launching activities. Our evaluation of potential risks in any operation is on-going, and in this specific instance, the formal Stakeholder Meeting allowed participating members to thoroughly discuss all aspects of the pigging operation, including flaring of gas from the launcher. The Atmos employees interviewed by the NTSB also stated that they had the ability to exercise stop work authority if they believed conditions were not safe.*
  - which procedures were updated to document the change
    - *No procedures were updated to document this change.*
  - which qualification and training requirements were revised to reflect the change
    - *No qualification or training requirements were revised to reflect change.*
  - any other actions taken to ensure the new process would be at least as safe as the previous process
    - *We relied on our experience in safely flaring for other pipeline applications (including blow-downs, tie-ins, reducing pressure to facilitate the movement of in-line inspection tools, and evacuating odorant tanks and separators) when considering using a flare system for pig loading and launching activities. Our evaluation of potential risks in any operation is on-going, and in this specific instance, the formal Stakeholder Meeting allowed participating members to thoroughly discuss all aspects of the pigging operation, including flaring of gas from the launcher. The Atmos employees interviewed by the NTSB also stated that they had the ability to exercise stop work authority if they believed conditions were not safe. Accordingly, we did not consider that any additional actions were necessary.*
- **An update of your current progress in implementing ANSI/API RP 1173, Pipeline Safety Management Systems**  
*In 2019, Atmos Energy engaged an industry-leading consultant to conduct an API RP 1173 Pipeline Safety Management System (PSMS) assessment and gap analysis. The purpose of this effort was to assess Atmos’ programs, policies, procedures and practices against the requirements of PSMS, and to develop a high-level roadmap to guide Atmos’ continued implementation of PSMS in a structured, prioritized way over an extended timeframe – recognizing that developing and implementing an effective PSMS is a journey, not a project. The development of this roadmap was a significant enterprise-wide undertaking, involving over twenty (20) functional groups, including operations, integrity management, pressure control, engineering, safety, training, and public awareness. This roadmap now forms the basis of our efforts to further implement and mature our PSMS across the various elements of the plan. We established cross-functional teams to execute on prioritized items, and what follows are examples of our work:*
    - *We conducted additional stakeholder meetings with various workgroups across all operating divisions to discuss PSMS and continue our focus on identifying and mitigating potential risks while continually assessing and improving processes and procedures.*
    - *We established new process controls for work being performed on portions our distribution operating system, specifically around Management of Change (MOC) and constructability reviews, that will result in work stoppage when deviations from key elements are discovered.*
    - *We have enhanced language in our Safety Manual regarding Stop Work Authority and Hazard Analysis and reinforced these concepts through refresher training and safety huddles. In addition, we are*



*emphasizing these concepts, along with other PSMS elements, in technical training curriculum and new hire training.*

- *We conduct annual PSMS maturity self-assessments using the API PSMS Maturity Tool.*
- *We have formalized sharing and lessons learned processes, including information gathered from NTSB reports and significant internal and external events. We have also continued our involvement in industry activities by serving on the AGA PSMS Executive Committee and participating in industry workshops and virtual conferences. We continue to meet with peer companies to discuss PSMS program activities and practices.*
- *These and other efforts in support of PSMS are supported at the highest levels of the organization, with a corporate officer primarily responsible for the design, adoption, and implementation of PSMS. The Corporate Risk Management and Compliance Committee is responsible for ongoing governance and reporting to the Company's Management Committee.*

Please let us know if you have any additional questions.

Thanks,  
John

John S McDill | VP Pipeline Safety | Atmos Energy Corporation | [REDACTED] Office |  
[REDACTED] | [www.atmosenergy.com](http://www.atmosenergy.com)

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From: Lyons Sara <[REDACTED]>  
Sent: Friday, September 17, 2021 1:14 PM  
To: Smith, Gregory W <[REDACTED]>  
Cc: McDill, John S <[REDACTED]>  
Subject: [EXT] Information Request - Farmersville, TX (PLD21FR002) - (Basis for Pig Launching Procedures)

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Greg,

Please provide the following information pertaining to the NTSB's investigation of the subject accident at your earliest convenience, not later than Friday, September 24, 2021:

- Pertaining to the Pipeline Integrity Management Plan:
  - Indicate the source of the original version of the document.
  - Provide a copy of the following sections of the original document: Section 9 through the end of Section 9.2, Section 9.10, Section 11, Appendix R (\*If the numbering system has changed, provide the corresponding sections from the original version).
  - Indicate whether Atmos, the original provider, or a contractor updates this document and what drives the update frequency (e.g., periodic, as-needed, etc.)
  - If the Pipeline Integrity Management Plan was acquired, provide the following additional information:
    - The organization that provided the original version
    - The date that the document was received
- Pertaining to the use of flaring systems during pig loading and launching activities, indicate:
  - when Atmos began using flaring systems to support these activities
  - what drove the change to using flaring systems (versus venting to the atmosphere)
  - what steps Atmos took to evaluate the potential risks of the change

- which procedures were updated to document the change
- which qualification and training requirements were revised to reflect the change
- any other actions taken to ensure the new process would be at least as safe as the previous process
- An update of your current progress in implementing ANSI/API RP 1173, Pipeline Safety Management Systems

Thanks,  
-Sara

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**Sara Lyons, P.E.**

Pipeline Investigator/Investigator-in-Charge  
Office of Railroad, Pipeline and Hazardous Materials Investigations  
National Transportation Safety Board

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## Lyons Sara

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**From:** Smith, Gregory W <[REDACTED]>  
**Sent:** Thursday, October 7, 2021 7:08 PM  
**To:** Lyons Sara; McDill, John S  
**Subject:** RE: Evidence Collection - Farmersville, TX (PLD21FR002) (CM+ work order, and training for pigging, flaring, purging)  
**Attachments:** AEC-APT-NTSB-000828 (OQ Table for FCC and Sr. FCC Roles).pdf

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Sara-

In-line inspection is not designated as a covered task. The qualifications that Atmos required of its employees performing work on the date of the accident are shown on the attached table (bates# 000828). The operator qualifications required for the contract personnel on the date of the accident were M08 (Preventing Accidental Ignition) and M16 (Recognize and React to Generic Abnormal Operating Conditions).

Please let us know if you have any additional questions.

-Greg

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**From:** Lyons Sara <[REDACTED]>  
**Sent:** Friday, September 24, 2021 4:19 PM  
**To:** McDill, John S <[REDACTED]>; Smith, Gregory W <[REDACTED]>  
**Subject:** [EXT] RE: Evidence Collection - Farmersville, TX (PLD21FR002) (CM+ work order, and training for pigging, flaring, purging)

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John and Greg,

I have two follow-up questions regarding the below explanation on training:

- Can you clarify whether in-line inspection is a covered task? If so, please also clarify if the covered task includes pig loading.
- To perform the work that was being done on the date of the accident, can you provide a table which indicates which qualifications Atmos required for each worker (Atmos employees and contractors)?

Please provide this information at you earliest convenience, not later than Thursday, October 7, 2021.

Thanks,

-Sara

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**From:** McDill, John S <[REDACTED]>  
**Sent:** Friday, July 30, 2021 5:00 PM  
**To:** Lyons Sara <[REDACTED]>

**Subject:** RE: Evidence Collection - Farmersville, TX (PLD21FR002) (CM+ work order, and training for pigging, flaring, purging)

[CAUTION] This email originated from outside of the organization. Do not click any links or open attachments unless you recognize the sender and know the content is safe.

Sara –

This is to follow up on the additional clarifications/information you requested.

- Atmos’ expectation for the work performed by FESCO was consistent with the general scope of work set out in FESCO’s Master Services Agreement (“...flaring of natural gas; design / professional recommendations on flare stack...”) and more specifically identified in the Stakeholder Meeting notes (“Install temporary piping to allow pig trap to be blown down to flare stack”). As reflected in the interviews of the Atmos employees, when the flare extinguished, the valve to the flare line remained open.
- The attached screen shot (bates 000571) shows the “CM+ Pig Survey Work Order” referenced in the Stakeholder Meeting Notes. The upper portion of the work order provides a list view for this specific project (Id 423), and the lower portion contains a screen shot of the data fields that are populated before and after the pig runs. The portion to be filled in after the pig runs (under the heading of “PIG Survey Details”) was to be collected by Bobcat as referenced in section A(f) of the Stakeholder Meeting Notes: “Information to be collected on each pig run in the Pigging Form Pig Run Log (BOBCAT).” The Pigging Form is a spreadsheet used to collect data, including that needed to complete the CM+ work order, and is attached as bates 000522-000547. At the conclusion of the project, the CM+ work order would be closed out and stored as a record within CM+, which is a database for compliance-related matters.
- Atmos’ training in regard to *purging operations* is provided through its classes, OQ refresher training module (if needed), and on-the-job training. Additionally, employees are periodically requalified on OQ tasks via testing and assessments. Attached to this email is the L02 (Purging) requalification training (bates 000582-000584) that was available to both Atmos employees involved in the accident. Training related specifically to *pigging operations* is provided through on-the-job training. *Flaring* is conducted by third-party contractors, and any training would be handled by the contractor for the benefit of its employees.
- Chris Thomas’ mobile number is [REDACTED] and Rodger Ballinger’s mobile number is [REDACTED]. The carrier for both is AT&T.

Please let me know if you have any questions or need additional information.

Thank you,  
John

John S McDill | VP Pipeline Safety | Atmos Energy Corporation | [REDACTED] Office | [REDACTED] | [www.atmosenergy.com](http://www.atmosenergy.com)

**From:** McDill, John S <[REDACTED]>  
**Sent:** Thursday, July 22, 2021 5:02 PM  
**To:** Lyons Sara <[REDACTED]>  
**Subject:** RE: Evidence Collection - Farmersville, TX (PLD21FR002)

Sara -

Here is the information you requested:

- Request #1: All documentation that explains the work that Atmos assigned to Bobcat and FESCO to be completed on the site and day of the accident. Include all documentation that described the assigned work, whether it was communicated in task orders, work orders, emails, or any other format.

## Lyons Sara

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**From:** McDill, John S <[REDACTED]>  
**Sent:** Friday, October 18, 2019 9:48 AM  
**To:** Evans Roger  
**Subject:** RE: PLD18FR002 -- Atmos Dallas -- SMS Follow-Up

Roger – with respect to the question of whether Atmos Energy had a written PSMS plan at the time of the accident, our answer is no. However, as I mentioned in my October 9, 2019 email, in 2016 Atmos Energy began working with an industry leading third-party expert to examine its practices in the context of PSMS. Atmos Energy then conducted a PSMS self-assessment and gap analysis for its Virginia operations. Afterwards Atmos Energy continued to participate in industry discussion groups and workshops to gain expertise and better understand how to develop and implement PSMS across its entire organization. Although a formal written plan was not in place at the time of the incident, Atmos Energy had started its PSMS journey before February 23, 2018.

After February 23, 2018, Atmos Energy took additional voluntary and proactive measures to accelerate the implementation of PSMS. Atmos Energy updated its initial self-assessment and again engaged its industry leading third-party expert, this time to perform an enterprise wide PSMS assessment and gap analysis. Atmos Energy is currently developing a roadmap and drafting PSMS program documents to allow it to reach significant and widespread maturity across all elements of a PSMS – a task that RP1173 recognizes is a journey. A Director level resource has been added in within Atmos Energy's corporate structure to support this accelerated implementation effort.

These and other efforts in support of PSMS are supported at the highest levels of the organization, with a corporate officer primarily responsible for the design, adoption, and implementation of PSMS. The corporate Risk Management and Compliance Committee is responsible for ongoing governance and reporting to the Company's Management Committee.

I hope this provides additional clarity about Atmos Energy's PSMS efforts. If you have any questions or need any additional information, please let me know.

John

John S McDill | VP Pipeline Safety | Atmos Energy Corporation | [REDACTED] Office | [REDACTED] |  
[www.atmosenergy.com](http://www.atmosenergy.com)

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**From:** Evans Roger <[REDACTED]>  
**Sent:** Tuesday, October 15, 2019 11:02 AM  
**To:** McDill, John S <John.McDill@atmosenergy.com>  
**Cc:** Gunaratnam Rachael <[REDACTED]>; Jenner Steve <[REDACTED]>; Lynum Sean <[REDACTED]>  
**Subject:** [EXT] PLD18FR002 -- Atmos Dallas -- SMS Follow-Up

**CAUTION: Don't be quick to click. This e-mail originated from outside of Atmos Energy. Do not click links or open attachments unless you recognize the sender and know the content is safe.**

John,

Thank you for your recent response related to our SMS questions. Based on your reply, we need to determine if Atmos had a written plan, or if there were documented facets of SMS that may have been in place at the time of the accident.

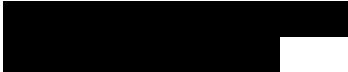
We are not looking to negatively assess Atmos, we are simply looking to have factual information to state that SMS was, or was not, in place at the time of the accident. We were unable to determine this from your original response.

Should there be written documentation to support any facet of SMS implementation at the time of the accident, please provide this information.

Thanks.

Roger

**Roger D. Evans**  
**Senior Pipeline Accident Investigator**  
National Transportation Safety Board  
Office of Railroad, Pipeline, and Hazardous Materials Investigations



Cell: [REDACTED]  
Fax: [REDACTED]



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## Lyons Sara

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**From:** McDill, John S <[REDACTED]>  
**Sent:** Monday, December 13, 2021 8:35 PM  
**To:** Lyons Sara  
**Subject:** RE: Draft PSMS Section in Factual (PLD21FR002)

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

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Sara –

Following up on our discussion last week, I wanted to provide additional information regarding our PSMS work. Our Safety and Enterprise Services led by the VP of Pipeline Safety, a corporate officer, oversees the implementation and maintenance of our pipeline safety management system. Although members of our legal staff may engage experts and/or work alongside others in our organization in furtherance of providing legal advice, our internal subject matter experts determine how to develop, implement, and advance our SMS goals in day-to-day operations. The Legal Department supports these day-to-day efforts.

As we described in our November 3 and 4, 2021 emails, in anticipation of the formal adoption of PSMS in 2019, the company reasonably asked for legal advice to guide our next steps. In some industries, such as aviation, a similar effort to collect and maintain data for purposes of developing and implementing a safety management system would have the benefit of a legislatively created privilege preventing disclosure in litigation. *See e.g.* 49 U.S.C. §44735 (in the aviation context, shielding from public disclosure “reports, data, or other information produced or collected for purposes of developing and implementing a safety management system acceptable to the [Federal Aviation] Administrator”). There are no similar protections for our industry as it relates to SMS. Therefore, the legal advice that was sought and rendered to support this voluntary implementation process further served to facilitate full and frank internal communications.

Through ongoing dialogue with the NTSB, we have been able to clarify that we no longer seek to maintain the Third Party Assessment (bates 000875-000900) as privileged because it has become a foundational document for implementing our SMS. This document, which was initially developed as an assessment or gap analysis, has also come to serve as a roadmap for our implementation efforts. I apologize for any confusion caused by our use of this terminology to refer to the same document. With respect to the annual maturity assessments, we likewise do not consider our final 2020 Maturity Assessment (bates 000901-000911) to be privileged, and can provide the 2021 Maturity Assessment once it is finalized.

Please let me know if I can provide any further clarification.

Thank you,  
John

John S McDill | Sr VP Utility Operations | Atmos Energy Corporation | [REDACTED] Office |  
[REDACTED] | [www.atmosenergy.com](http://www.atmosenergy.com)

## Lyons Sara

---

**From:** McDill, John S <[REDACTED]>  
**Sent:** Monday, August 9, 2021 8:03 PM  
**To:** Lyons Sara  
**Subject:** RE: Information Request (Valve Issues) - Farmersville, TX (PLD21FR002)  
**Attachments:** AEC-APT-NTSB-000136-000143 (Safety Manual - TOC & Chapter 1- Safety).pdf; AEC-APT-NTSB-000647-000656 (Contractor OQ Plan – Appendix B – Reaction Levels to AOCs dated 6-1-21).pdf; AEC-APT-NTSB-000668-000669 (O&M Manual Chapter 18.7.1 – Abnormal Operation (effective on 6-28-21)).pdf; AEC-APT-NTSB-000657-000667 (Contractor OQ Plan – Appendix B – Reaction Levels to AOCs dated 6-28-21).pdf

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Sara –

Atmos Energy expects its employees performing work or overseeing contractors to rely on their experience, training, qualifications, and judgment to determine when reporting potential issues with valves is necessary. Potential issues with valves can be wide ranging and have various responses that are appropriate. A relatively simple issue may not require reporting or any immediate follow-up, whereas a more complex issue may need to be addressed immediately and reported.

We train and empower our employees at all levels to report safety concerns, including those involving valves, and take appropriate actions as needed. As reflected in our Safety Manual (bates 000136-000143 attached hereto), our employees approach jobs with a focus on completing the work safely, which includes Stop Work Authority, reporting safety violations, and providing safety-related feedback. These concepts are reinforced in training and discussed at kick-off meetings (such as the Stakeholders Meeting) and at safety huddles. Chapter 18.7 of our Operations and Maintenance Manual (bates 000668-000669 attached hereto) provides additional detailed steps for reporting and responding to abnormal operations on a transmission line, including conditions such as a component malfunction, a deviation from normal operations, or where personnel error could cause a hazard to persons or property.

We expect our contractors to report safety concerns, including those involving valves, to Atmos personnel immediately. Our Master Services Agreements require that our contractors advise any person who may become involved in the work of any hazards relating to the work, and to ensure that person fully understands the nature of the hazards and safety precautions that can be taken to eliminate or minimize those dangers. Our contractors are also required to comply with our Operator Qualifications Plan for contractors. This plan lists some of the most recognized abnormal operating conditions (“AOCs”) and provides corresponding “Reaction Levels” in Appendix B. Reaction Levels range from immediate 911 notification and removal of all persons to a safe area (Reaction Level 1), to immediate notification to an Atmos representative and continued monitoring if warranted (Reaction Level 3). Copies of the June 1, 2021 and June 28, 2021 versions of this Appendix B listing AOCs and Reaction Levels are attached as bates 000647-000656 and 000657-000667.

We are not aware of any written or verbal report(s) of potential issues with either the mainline or kicker valve in the 10 years prior to the accident. At the time of the accident, the only planned maintenance and repair of the mainline valve and kicker valve was the on-going valve maintenance work performed by Raptor Rental previously provided as bates 000058-000059.

Please let me know if you have any questions.

John



From: Lyons Sara <[REDACTED]>  
Sent: Saturday, July 31, 2021 11:13 AM  
To: McDill, John S <[REDACTED]>  
Subject: [EXT] Information Request (Valve Issues) - Farmersville, TX (PLD21FR002)

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John,

As you're aware, the as-found condition of the mainline valve which isolated the launcher involved in the subject accident from Atmos' gas transmission system had field markings near the valve position indicator. The as-found (post-explosion) condition also indicated a leak from Atmos' gas transmission system through the mainline and/or kicker valve.

Please provide the following additional information as applicable to the mainline and kicker valves at your earliest convenience, not later than Monday, August 9, 2021:


- Does Atmos require its staff and/or contractors to report potential issues identified with valves?
  - o Identify and provide any procedures and training materials which convey this reporting requirement.
  - o If not provided in procedures and training materials, identify the potential valve issues that are required to be reported and how this requirement was conveyed.
- Did Atmos receive any written or verbal report(s) of potential issues with either the mainline or kicker valve in the 10 years prior to the accident?
  - o Identify and provide all documentation which indicates the potential issue, including the name, job title, and employer of the person who made the report and the person(s) it was reported to. If the condition was not documented, provide a summary of the issue, including the name, job title, and employer of the person who made the report and the person(s) it was reported to.
  - o Identify and provide the actions that were taken in response to any reports received.
  - o Identify and provide any procedures and training materials which convey Atmos' follow-up action requirements.
  - o If not provided in procedures and training materials, identify the follow-up actions that are required and how this requirement was conveyed.
- At the time of the accident, did Atmos have any plans for repair or maintenance of the mainline or kicker valve? If so, specify the scope of the planned repair and/or maintenance activity and when it was scheduled to occur.

As I mentioned previously, we will be adding another group to the investigation. At this point, the new group will focus on the mainline and kicker valves. If Atmos has a representative with specialized experience in the operation and maintenance of these valves that you'd like to nominate for participation in this group, please let me know by Tuesday, August 3, 2021.

Thanks,  
-Sara

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Sara Lyons, P.E.  
Pipeline Investigator/Investigator-in-Charge  
Office of Railroad, Pipeline and Hazardous Materials Investigations  
National Transportation Safety Board



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## Lyons Sara

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**From:** McDill, John S <[REDACTED]>  
**Sent:** Friday, July 30, 2021 5:00 PM  
**To:** Lyons Sara  
**Subject:** RE: Evidence Collection - Farmersville, TX (PLD21FR002) (CM+ work order, and training for pigging, flaring, purging)  
**Attachments:** AEC-APT-NTSB-000582-000584 (L02 (Purging) – Requalification Training).pdf; AEC-APT-NTSB-000571 (CM+ Pig Survey Work Order).pdf; AEC-APT-NTSB-000522-000547 (D17-9 TO ROCKWALL\_ILI\_2021 Pigging Form).pdf

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Sara –

This is to follow up on the additional clarifications/information you requested.

- Atmos' expectation for the work performed by FESCO was consistent with the general scope of work set out in FESCO's Master Services Agreement ("...flaring of natural gas; design / professional recommendations on flare stack...") and more specifically identified in the Stakeholder Meeting notes ("Install temporary piping to allow pig trap to be blown down to flare stack"). As reflected in the interviews of the Atmos employees, when the flare extinguished, the valve to the flare line remained open.
- The attached screen shot (bates 000571) shows the "CM+ Pig Survey Work Order" referenced in the Stakeholder Meeting Notes. The upper portion of the work order provides a list view for this specific project (Id 423), and the lower portion contains a screen shot of the data fields that are populated before and after the pig runs. The portion to be filled in after the pig runs (under the heading of "PIG Survey Details") was to be collected by Bobcat as referenced in section A(f) of the Stakeholder Meeting Notes: "Information to be collected on each pig run in the Pigging Form Pig Run Log (BOBCAT)." The Pigging Form is a spreadsheet used to collect data, including that needed to complete the CM+ work order, and is attached as bates 000522-000547. At the conclusion of the project, the CM+ work order would be closed out and stored as a record within CM+, which is a database for compliance-related matters.
- Atmos' training in regard to *purging operations* is provided through its classes, OQ refresher training module (if needed), and on-the-job training. Additionally, employees are periodically requalified on OQ tasks via testing and assessments. Attached to this email is the L02 (Purging) requalification training (bates 000582-000584) that was available to both Atmos employees involved in the accident. Training related specifically to *pigging operations* is provided through on-the-job training. *Flaring* is conducted by third-party contractors, and any training would be handled by the contractor for the benefit of its employees.
- Chris Thomas' mobile number is [REDACTED] and Rodger Ballinger's mobile number is [REDACTED]. The carrier for both is AT&T.

Please let me know if you have any questions or need additional information.

Thank you,  
John

John S McDill | VP Pipeline Safety | Atmos Energy Corporation | [REDACTED] Office |  
[REDACTED] | [www.atmosenergy.com](http://www.atmosenergy.com)

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From: McDill, John S <[REDACTED]>  
Sent: Thursday, July 22, 2021 5:02 PM  
To: Lyons Sara <[REDACTED]>  
Subject: RE: Evidence Collection - Farmersville, TX (PLD21FR002)

Sara -

Here is the information you requested:

- Request #1: All documentation that explains the work that Atmos assigned to Bobcat and FESCO to be completed on the site and day of the accident. Include all documentation that described the assigned work, whether it was communicated in task orders, work orders, emails, or any other format.
  - *Bobcat and FESCO performed work under the terms of their respective Master Services Agreements and related Task Requests previously provided. The work assigned to these contractors to be performed on site and on the day of the accident was communicated verbally at the Stakeholder Meeting on June 15, 2021. The Stakeholder Meeting Notes (bates 000039-000043) were distributed after the meeting and reflect the categories of work assigned.*
- Request #2: For the flaring system/configuration that was used on the day of the accident, all documentation that explains the work that Atmos assigned to FESCO related to its installation and/or design.
  - *As reflected in the Stakeholder Meeting Notes (bates 000039-000043), Atmos assigned the flaring operation to FESCO, which included the installation of temporary piping to allow the trap to be blown-down to the flare stack. Consistent with their role as an independent contractor, FESCO determined the flaring system/configuration to be used.*
- Request #3: Documentation of the analysis or any other evaluation that was done by and/or for Atmos to determine whether a flaring system adequately removes natural gas such that pig launching activities can be performed safely. If this analysis/evaluation was performed for the specific set-up used on the site and day of the accident, include the specific analysis/evaluation. If it was only performed on a generic basis, provide the generic analysis/evaluation.
  - *As reflected in the Stakeholder Meeting Notes (bates 000039-000043), FESCO determined the flaring system/configuration to be used to allow the pig trap to be blown-down to the flare stack. This is consistent with other flaring systems/configurations regularly used by FESCO elsewhere on Atmos' system to evacuate gas from a pipeline. Atmos does not typically perform, and did not in this case perform, an independent analysis or other evaluation of the work for which its independent contractor was responsible.*

Please let me know if you have any questions or need additional information.

Thank you,  
John

John S McDill | VP Pipeline Safety | Atmos Energy Corporation | [REDACTED] Office |  
[REDACTED] | [www.atmosenergy.com](http://www.atmosenergy.com)

---

From: Lyons Sara <[REDACTED]>  
Sent: Monday, July 19, 2021 3:51 PM  
To: McDill, John S <[REDACTED]>  
Subject: [EXT] RE: Evidence Collection - Farmersville, TX (PLD21FR002)

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