



Hopkinton LNG Corp.
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January 23, 2012

Mr. Byron Coy, P.E.
Director, Eastern Region
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628

Re: Response to CPF 1-2011-3003M for Hopkinton LNG Corp.

Dear Mr. Coy:

On behalf of Hopkinton LNG Corp., I would like to acknowledge and respond to your Notice of Amendment Letter to Mr. Werner Schweiger, Sr. Vice President, Operations dated December 13, 2011.

In your letter, you advised that representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) had identified apparent inadequacies with Hopkinton LNG's procedures in two areas. Those areas were associated with Transfer Procedures as required by 49 CFR 193.2513, and Maintenance Procedures, as required by 49 CFR 193.2605.

Hopkinton LNG does not wish to contest the items identified in your Notice of Amendment, but would like to communicate our actions relative to these matters as follows:

1. 193.2513 – Transfer Procedures

Hopkinton LNG requires personnel performing LNG cargo transfers to use and follow a checklist. That checklist was updated during the week of the October 4, 2010 inspection to include a task item that requires inspection of LNG hoses for damage and defects prior to each LNG truck transfer. Additionally, Hopkinton LNG's operating procedures manual was subsequently updated to reflect the same language.

2. 193.2605 – Maintenance Procedures

Hopkinton LNG defines atmospheric corrosion maintenance procedures in Chapter 3 of the site's Maintenance Manual. Previously, the site used a three tier evaluation criteria system, with ratings of "GOOD", "FAIR" or "POOR". Upon receiving your letter on December 13, 2011, Hopkinton LNG personnel reviewed the details of your observation. We benchmarked the

procedure and practice used at Hopkinton LNG against the procedures and practices used in other areas of NSTAR's operations that fall under the requirements of 49 CFR 192. As a result of that benchmark exercise, Hopkinton LNG modified site maintenance procedures to include five ratings as follows:

- GOOD
- Cosmetic, Weathered, Mild
- Slight Corrosion Pitting
- Severe Corrosion, Heavy Pitting
- Immediate Hazard

For each rating category, parameters to assess an atmospheric corrosion condition have been elaborated to enable a corrosion technician the improved ability to distinguish one rating from another when conducting field assessments.

In your letter, you requested (but did not mandate) that Hopkinton LNG maintain documentation of the safety improvement costs associated with fulfilling the Notice of Amendment. While the site did not specifically track the exact costs associated with the procedure amendment tasks, we would like to report that the changes did not require us to hire any third party for consultation, and the amendments were completed using existing labor resources that are already assigned to the subject areas of responsibility. As such, Hopkinton LNG believes that the cost to implement these changes was less than \$5,000.00.

Finally, Hopkinton LNG would like to acknowledge the work of the representative(s) that visited. During the inspection, there was much constructive dialogue relative to the code, interpretation thereof, and current events in the gas pipeline and LNG industries. Additionally, the PHMSA representative(s) took an active interest in reviewing items that had been discussed during prior inspections, and took note of many improvements that have been made as a result of those discussions.

We would also like to acknowledge that this response is beyond the 30 day requirement. This is primarily due to the additional research we performed which was more detailed than we expected at the inspections conclusion. We hope this does not cause any inconvenience.

Should you have any further questions, please feel free to contact me at 508-305-6986.

Sincerely,



Mark E. Gunsalus
Director, Gas Service and Supply
NSTAR Electric and Gas

cc: Renie Janagian