



September 11, 2014

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

Re: **CPF 1-2014-0002**; Notice of Probable Violation and Proposed Compliance Order,  
dated August 14, 2014

Dear Mr. Coy:

This letter is in response to the above-referenced Notice of Probable Violation and Proposed Compliance Order. The Pennsylvania State University (PSU) takes the issue of gas pipeline safety very seriously and intends to take the actions in the proposed compliance order (copy attached) items 1 through 5. PSU will also supply the information requested in paragraph 6, and promptly address and resolve Warning Items 6 and 7.

Related to compliance item 1, we believe we already have standards and documented procedures in place that both reference and are consistent with the procedures at 49 C.F.R. Part 192 for the maintenance or construction on our pipeline system. As a result, we respectfully request assistance from the Pipeline and Hazardous Materials Safety Administration (PHMSA) to provide specific examples to help us better understand the form and content of required manuals and records.

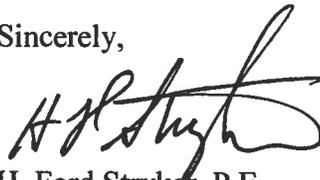
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PSU will be expediting the completion of the five mandatory compliance items, as well as non-mandated item 6 and the two warning items and intends to resolve these in September and October of 2014 which is much earlier than required.

PSU looks forward to working cooperatively and collaboratively with PHMSA. We thank you and PHMSA for your and its time and consideration in this matter and as to any guidance that can be provided as to the form and content of required manuals and records.

Please do not hesitate to contact me if you have any questions regarding the above.

Sincerely,



H. Ford Stryker, P.E.  
Associate Vice President,  
Office of Physical Plant  
The Pennsylvania State University  
0200 Physical Plant Building  
University Park, PA 16802

cc: Robert E. Cooper, P.E., Director, Energy & Engineering  
David W. Dulabon, Associate General Counsel  
Thomas J. Sniscak, Esq.  
Paul Moser, Superintendent, Steam Services

Attachment

## PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Penn State University a Compliance Order incorporating the following remedial requirements to ensure the compliance of Penn State University with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to construction procedures, PSU must develop written procedures, consistent with the requirement/s in Part 192, for performing construction activities on the gas piping systems. The procedures must include reference to specific industry standards that are to be applied in this system. Procedures must be submitted within 120 days from date of Final Order.
2. In regard to Item Number 2 of the Notice pertaining to service regulators and relief vents, PSU must reevaluate the regulator vent placement at all locations throughout the gas piping system and correct all deficiencies identified, including the locations outlined in item 2 of this Notice. The evaluation, including all remediation, must be completed within 120 days from date of Final Order.
3. In regard to Item Number 3 of the Notice pertaining to External Corrosion Control Monitoring-Annual Testing, PSU must develop procedures to address the requirements of 192.465(a). The procedures must include:
  1. A methodology for determining locations for monitoring
  2. Guidance to personnel performing the monitoring
  3. Documentation requirements

PSU must perform a survey on their gas piping system in accordance with the procedures developed. Procedures must be submitted to the PHMSA Eastern Region Director for review/approval within 90 days from date of Final Order. Survey work must be completed within 90 days following PHMSA's review/approval of the procedures.
4. In regard to Item Number 4 of the Notice pertaining to cathodic protection deficiencies requiring prompt remedial action, PSU must re-test and remediate (if necessary) all identified locations in this finding. All testing and remediation must be completed within 180 days from date of Final Order.
5. In regard to Item Number 5 of the Notice pertaining to the procedure manual review, PSU must review their procedure manual for operations, maintenance, and emergencies and create a record to demonstrate compliance. The review must be completed within 120 days from the date of Final Order.
6. It is requested (not mandated) that Penn State University maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Byron Coy, Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.