U.S. Department
Of Transportation
**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.989.2171

NOTICE OF AMENDMENT

EXPRESS OVERNIGHT DELIVERY

May 1, 2015

John Pustulka
President, National Fuel Gas Supply Corp.
6363 Main Street
Williamsville, NY 14221

CPF 1-2015-1010M

Dear Mr. Pustulka:

During the weeks of April 14, 2014 and April 28, 2014, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected National Fuel Gas Supply Corp's (hereafter referred to as "NFG") procedures for welding procedure specification (WPS) in Cecil, PA.

On the basis of the inspections, PHMSA has identified the apparent inadequacies found within NFG's plans or procedures, as described below:

1. §192.225 Welding Procedures

(b) Each welding procedure must be recorded in detail, including the results of the qualifying tests. This record must be retained and followed whenever the procedure is used.

NFG's welding procedures, *Line N 2.08 Mile Pipeline Project Welding Procedures*, are inadequate.

During the inspection, the PHMSA inspector reviewed the NFG welding procedures for the Line N 2.08 Mile Pipeline Project. The procedures included time lapse between bead entries for hot passes, filler passes and cap passes that represented the actual times that a welder welded to qualify the welding procedures, not the time required for the welder utilizing the procedure in the field.

2. §192.225 Welding Procedures

(b) Each welding procedure must be recorded in detail, including the results of the qualifying tests. This record must be retained and followed whenever the procedure is used.

NFG's operating procedures, *Welding Specification Number 100*, 02/18/2014, are inadequate. Specifically, paragraph 11.7 states in part that "At the discretion of the Welding Inspector, additional pre or post heating may be necessary. . ." The operating procedure allows additional post heating of welds, however, it is not clear that changes to post heating requires that the welding procedure be completely requalified.

Post-weld heat treatment is an essential variable. According to API 1104, 20th edition, 2008, when any essential variables are revised, a welding procedure must be re-established as a new procedure specification and must be completely re-qualified.

3. §192.225 Welding Procedures

(b) Each welding procedure must be recorded in detail, including the results of the qualifying tests. This record must be retained and followed whenever the procedure is used.

NFG's operating procedures, *Welding Specification Number 100*, 2/18/2014, are inadequate. Specifically, *Welding Specification 100*, section 14.0 Inspection of Production Welds, 14.2.1 does not define the terminologies: impractical and practical.

In addition, *Welding Specification 100*, Appendix B – Welding On In-Service Pipelines or Facilities, 2.0 Welding Sequence – (Sleeve Type), Step 8 does not define the terminologies: possible, impractical and practical.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 60 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that NFG maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Byron Coy, PE, Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 120151010M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Byron Coy, PE
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*