



U.S. Department
of Transportation
**Research and
Special Programs
Administration**

Office of the
Chief Counsel

400 Seventh St., S.W.
Washington, D.C. 20590

FEB -7 2003

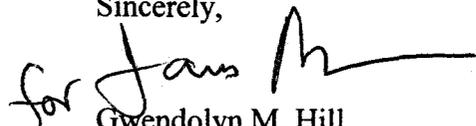
Mr. Dan Martin
Senior Vice President of Pipeline Operations
ANR Pipeline
Nine Greenway Plaza, Suite 774A
Houston, TX 77046

Re: CPF No. 3-2003-1002-H

Dear Mr. Martin:

Enclosed is a Corrective Action Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It requires you to take certain corrective actions with respect to your Southwest Mainline pipeline. The Order includes a pressure reduction on the line segment from Mainline Valve 44 in Mercer County, Illinois to the New Windsor Compressor Station in Henry County, Illinois. Service is being made by certified mail and facsimile. Your receipt of this Order constitutes service of that document under 49 C.F.R. § 190.5. The terms and conditions of this Corrective Action Order are effective upon receipt.

Sincerely,


Gwendolyn M. Hill
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

cc: Mr. David F. Jones
Vice-President, Eastern Operations
ANR Pipeline, El Paso Pipeline Group

Mr. David H. Coker, PE
DOT Compliance Engineer, Plains Division
ANR Pipeline, El Paso Pipeline Group

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED) AND TELECOPY

**DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
WASHINGTON, DC 20590**

In the Matter of)
)
ANR Pipeline,)
)
Respondent.)
_____)

CPF No. 3-2003-1002-H

CORRECTIVE ACTION ORDER

Purpose and Background

This Corrective Action Order is being issued, under authority of 49 U.S.C. § 60112, to require ANR Pipeline (Respondent) to take the necessary corrective action to protect the public and property from potential hazards associated with Respondent's Southwest Mainline pipeline segment that extends from Mainline Valve 44 in Mercer County, Illinois to the New Windsor Compressor Station in Henry County, Illinois.

On February 2, 2003, Respondent reported a rupture approximately five miles upstream of the New Windsor Compressor Station on its 24-inch Southwest Mainline pipeline. The cause of the failure is yet undetermined. Pursuant to 49 U.S.C. § 60117, the Central Region, OPS, initiated an investigation of the failure.

Preliminary Findings

1. On February 2, 2003, at approximately 7:05 p.m. CST, the Southwest Mainline pipeline ruptured, resulting in the release of natural gas which ignited. A 16-foot long section of the pipe fractured into three distinct sections, which were ejected to distances of about 300 yards from the failure site.
2. The rupture and fire resulted in the evacuation of homes within a two-mile radius and the temporary closure of State Highway 17. No injuries or fatalities occurred.
3. The failure occurred in a rural area about two miles northeast of the town of Viola, IL at Mile Post (MP) 689.58. Portions of the affected pipeline segment are routed near small communities and cross numerous state and local highways.

4. The cause of the incident has not yet been determined. At the rupture location, shallow scratches were reportedly visible on the surface of the pipe. The significance of these scratches, if any, is yet undetermined.
5. The affected segment lies between the Birmingham Compressor Station at MP 610.86 and the New Windsor Compressor Station at MP 695.52.
6. The Southwest Mainline pipeline was installed in 1949 and is constructed of 24-inch x 0.312-inch w.t., API 5LX-52, double-submerged arc-welded pipe manufactured by Republic Steel.
7. The Southwest Mainline pipeline is cathodically protected by impressed current. The protective coating is enamel with a fiberglass wrap.
8. The Southwest Mainline pipeline was successfully hydrostatically tested at a pressure of 1392 psig in 1976. The maximum allowable operating pressure of the pipeline is 975 psig. The operating pressure at the failure site time at the time of the incident was approximately 815 psig.
9. According to Respondent, the subject Southwest Mainline pipeline segment was internally inspected in 2002 with a low-resolution magnetic flux leakage tool. The resulting data did not reveal any potential integrity problems within ½ mile of the location where the rupture occurred.
10. The last reported incident on this pipeline was approximately ½ mile upstream of the failure site. On April 6, 1990, Respondent reported a leak in a wrinkle bend at MP 688.9.
11. Respondent's Southwest Mainline pipeline extends from southwest Kansas to Sandwich, Illinois where the system splits and transports natural gas east into Michigan and north into Wisconsin.
12. Respondent is a subsidiary of the El Paso Corporation headquartered in Houston, Texas and operates about 10,600 miles of natural gas pipeline in the Midwest and high plains regions of the country.
13. Following the incident, Respondent's personnel isolated the failure site by closing Mainline Valve (MLV) 44 upstream and MLV 45 downstream at the New Windsor compressor station. MLV 44 is approximately 15 miles upstream of New Windsor at MP 680.90.

Determination of Necessity for Corrective Action Order and Right to Hearing

Section 60112 of Title 49, United States Code, provides for the issuance of a Corrective Action Order, after reasonable notice and the opportunity for a hearing, requiring corrective action, which may include the suspended or restricted use of a pipeline facility, physical inspection, testing, repair, replacement, or other action as appropriate. The basis for making the determination that a pipeline facility is hazardous, requiring corrective action, is set forth both in the above referenced statute and 49 C.F.R. §190.233, a copy of which is enclosed.

Section 60112, and the regulations promulgated thereunder, provides for the issuance of a Corrective Action Order without prior opportunity for notice and hearing upon a finding that failure to issue the Order expeditiously will result in likely serious harm to life, property or the environment. In such cases, an opportunity for a hearing will be provided as soon as practicable after the issuance of the Order.

After evaluating the foregoing preliminary findings of fact, I find that the continued operation of this pipeline without corrective measures would be hazardous to life and property. Additionally, after considering the circumstances surrounding the rupture whose cause is yet undetermined, the proximity of the pipeline to populated areas, the line's proximity to public highways, the highly combustible nature of the product the pipeline transports, the pressure required for transporting the material, and the uncertainties as to the cause of the anomalies, I find that a failure to issue expeditiously this Order, requiring immediate corrective action, would result in likely serious harm to life and property.

Accordingly, this Corrective Action Order mandating needed immediate corrective action is issued without prior notice and opportunity for a hearing. The terms and conditions of this Order are effective upon receipt.

Within 10 days of receipt of this Order, ANR Pipeline may request a hearing, to be held as soon as practicable, by notifying the Associate Administrator for Pipeline Safety in writing, delivered personally, by mail or by telecopy at (202) 366-4566. The hearing will be held in Kansas City, Missouri or Washington, D.C. on a date that is mutually convenient to OPS and Respondent.

After receiving and analyzing additional data in the course of this investigation, OPS may identify other longer term measures that need to be taken. ANR Pipeline will be notified of any additional measures required and amendment of this Order will be considered. To the extent consistent with safety, ANR Pipeline will be afforded notice and an opportunity for a hearing prior to the imposition of any additional corrective measures.

Required Corrective Action

Pursuant to 49 U.S.C. § 60112, I hereby order ANR Pipeline to immediately take the following corrective actions with respect to the Southwest Mainline pipeline segment between MLV 44 and the New Windsor Compressor Station:

- 1) ANR Pipeline must carry out the actions in this Order in accordance with a written Return to Service Plan that is to be submitted to the Director, Central Region, within 7 days of your receipt of the Order. The written plan may be revised, as necessary, to incorporate new information found during the investigation and determination of cause of the accident.
- 2) Maintain a 20 percent (20%) reduction in the in-service operating pressure on the affected line segment between MLV 44 and the New Windsor Compressor Station. The pressure within this segment is not to exceed 653 psig. This pressure restriction shall remain in place, with the exception of Item 3, until written approval to modify the pressure restriction is obtained from the Director, Central Region, OPS.
- 3) Respondent must contact the Director, Central Region, OPS within six hours of encountering an event that triggers emergency supply conditions that require modification of the pressure restriction to maintain service to customers whose safety would be threatened if gas service could not be maintained. In the event that Respondent encounters emergency supply conditions, a temporary increase to 734 psig, 90% of the pre-failure pressure, for a period not to exceed 72 hours will be permitted. A written plan must be established and submitted to the Director, Central Region, providing procedures for implementing an emergency pressure increase, including the provisions of this item.

Furthermore, Respondent must, within 24 hours, justify in writing the need for this pressure increase, the duration for this pressure increase, and the enhanced monitoring that will be performed throughout the duration of this pressure increase to 90% of the pre-failure pressure. Absent sufficient justification, the Director, Central Region, OPS can direct Respondent to return to 653 psig--80% of pre-failure pressure. The written plan must also provide for control of pressure in the affected segment for the duration of the emergency pressure increase, which cannot exceed 72 hours, without a new notification being submitted and a subsequent need being established. This notification and justification does not affect other requirements in this Order which must be met prior to returning to full normal service pressure.

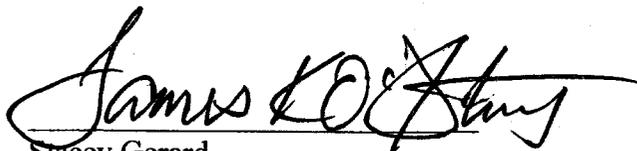
- 4) Conduct a detailed metallurgical analysis of the pipe that failed on February 2, 2003 to determine the cause and contributing factors for the failure. Submit the testing protocol for the failed pipe to the Director, Central Region, OPS as soon as it is developed. Submit all reports of the failure analysis to the Director, Central Region, OPS within one week of your receipt.

- 5) Re-evaluate and analyze the in-line inspection data to determine whether any of the conditions that contributed to the rupture exist in other segments of the Southwest Mainline pipeline, as applicable to the causal factors.
- 6) Submit to the Director, Central Region, OPS a report of the evaluation referred to in Item 5.
- 7) Develop a program to remediate any defects and anomalies identified by the evaluation required in Item 5 and 6 above and submit monthly status reports to the Director, Central Region, OPS describing the remedial actions to be taken to prevent future failures of this nature.
- 8) Respondent must request approval from the Director, Central Region to remove the pressure restriction set forth in this Corrective Action Order. Respondent must submit information that demonstrates the hazard has been abated and that restoring the segment to its pre-failure operating pressure is justified based on an analysis showing that the pressure increase is safe considering all known defects, anomalies and operating parameters of the pipeline. After written approval from Director, Central Region, ANR Pipeline may resume operation at the pre-failure operating pressure.
- 9) The Director, Central Region, may grant an extension of time for compliance with any of the terms of this Order for good cause. A request for an extension must be in writing.

Respondent may appeal any decision of the Director, Central Region to the Associate Administrator for Pipeline Safety. Decisions of the Associate Administrator shall be final.

The procedures for the issuance of this Order are described in Part 190, Title 49, Code of Federal Regulations, § 190.233, a copy of which is enclosed, is made part of this Order and describes the Respondents' procedural rights relative to this Order.

Failure to comply with this Order may result in the assessment of civil penalties of not more than \$100,000 per day and in referral to the Attorney General for appropriate relief in United States District Court.



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Stacey Gerard
Associate Administrator
for Pipeline Safety

FEB -7 2003

Date Issued