



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

8701 South Gessner, Suite 1110
Houston, TX 77074

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED COMPLIANCE ORDER**

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 17, 2008

Ms. Elizabeth Casciani,
Vice President, Operations
Praxair, Inc.
39 Oil Ridgebury Rd.
Danbury, Ct. 06810

CPF 4-2008-1019

Dear Ms Casciani:

On June 16-20, 2008, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected procedures, records and field operations of your 12-inch hydrogen pipeline unit 15714 between Lake Charles, Louisiana and Deer Park, Texas.

As a result of the inspection, it appears that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The item inspected and the probable violation is:

1. §192.481 Atmospheric corrosion control; Monitoring.

- a) **During inspections the operator must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.**
- b) **If atmospheric corrosion is found during an inspection, the operator must provide protection against the corrosion as required by Sec. 192.479.**

Praxair's Operations and Maintenance procedures 32.1 'Above Ground piping Inspections' and 32.5 'Prompt Repair of Corroded Pipe' procedures in their O & M manual states all above ground piping will be inspected for atmospheric corrosion and any facility found to be in need of repair, appropriate action shall be taken to complete the maintenance or repair in a timely fashion.

There were several areas of piping, flanges and other components such as the valve assemblies at highways; Valves 73, 1410, 563, 46, and La Porte booster station at Deer Park that exhibited heavy atmospheric corrosion. Praxair did not provide documentation that the monitoring for atmospheric corrosion of these sites had been performed.

Proposed Compliance Order

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Praxair Inc. Please refer to the Proposed Compliance Order that is enclosed and made a part of this Notice.

Response to this Notice

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.

In your correspondence on this matter, please refer to **CPF 4-2008-1019** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



R. M. Seeley
Director, Southwest Region
Pipeline and Hazardous Material Safety Administration

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

PROPOSED COMPLIANCE ORDER

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

1. In regard to Item Numbers 1 of the Notice, Praxair shall conduct the appropriate inspections at Valves 73, 1410, 563, 46, and La Porte booster station at Deer Park and perform the required remediation.
2. Praxair Inc. must address the issues within this compliance order within 90 days after receipt of a Final Order and submit its notice of completion to R. M. Seeley, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration.
3. Praxair Inc. shall maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Mr. R.M. Seeley, Southwest Region, Pipeline and Hazardous Materials Safety Administration. Costs shall 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.