

# EPCO, INC.

February 9, 2009



R.M Seeley, Director  
Southwest Region  
Pipeline and Hazardous  
Materials Safety Administration  
8701 South Gessner Road, Suite 1110  
Houston, TX 77074

Re: Notice of Amendment dated January 7, 2009 (the "Notice")  
EPCO, Inc.  
CPF No. 4-2009-5001M

Dear Mr. Seeley:

EPCO, Inc. (EPCO) submits the following response to the Notice. References are to the numbered items in the Notice and regulatory provisions cited therein. By submitting this response, EPCO expresses no view of and shall not be deemed to have made any admission as to the validity or enforceability of the regulatory interpretations upon which the Notice was based.

For item 2 cited in the Notice, EPCO has prepared a revised procedure and encloses it as part of this response; however, because of the complexity and size of the pipeline integrity management program, the need to make fundamental changes in the program, and the development of the requisite documentation, EPCO was unable to complete responses to all of the alleged inadequacies in the Notice. To the extent that its responses are incomplete, EPCO requests an extension of time, as indicated below, to submit additional materials and information.

Item 1 – 49 CFR §195.452 (c)(1), (f) (5) and (j) (5)

The Assessment Method Selection Procedure is being modified to identify the approved assessment methods for assessing specific threats (e.g. metal loss; deformation; cracking; long seam failure susceptibility) but has not been incorporated. The IMP Change Management process will be completed by June 30, 2009.

Item 2 – 49 CFR §195.452 (f)(4) and (h)(4)

The Operating Pressure Procedure has been revised to determine the temporary operating pressure for an immediate repair condition in accordance with the formula in Section 451.7 of ASME/ANSI B31.4 and is enclosed.

Item 3 – 49 CFR §195.452 (f) (3) and (g)

The development of a procedure that provides firm process language to update the new and soon to be implemented risk model on a frequent and regular basis is being developed and has not been incorporated. The IMP Change Management process will be completed by August 31, 2009.

Item 4 – 49 CFR §195.452 (f)(6), (i)(1), and (i)(2)

The Information Analysis–Line Pipe and the Information Analysis–Facilities procedures are being modified to improve the documentation of the application of threats which are identified in the risk model(s) as well as provide guidance for risk based prioritization of P&MM projects but have not been incorporated. The IMP Change Management process will be completed by August 31, 2009.

Items 5 – 49 CFR §195.452 (f)(5), (j)(1), and (j)(2)

The Information Analysis–Line Pipe procedure is being modified to address the performance of periodic evaluations, to assure pipeline integrity, as frequently as needed and based upon risk factors specific to the pipeline segment including those specified in 195.452(e). The IMP Change Management process will be completed by August 31, 2009.

Item 6 – 49 CFR §195.452 (f)(7) and (k)

The Measure IMP Effectiveness Procedure is being modified to provide additional guidance regarding the documentation of consolidated findings resulting from the process of evaluating the IMP effectiveness measures. The IMP Change Management process will be completed by June 30, 2009.

EPCO appreciates having the opportunity to respond to the Notice and will look forward to continuing to work with the Pipeline and Hazardous Materials Safety Administration to assure the safe operation of our pipelines. Please let me know if you have any questions.

Sincerely yours,



Kevin Bodenhamer  
Vice President

Enclosure

cc: Phu Phan w/ encls.

	<b>Pipeline Integrity Management Program</b>	Owner: Phu Phan	Document No: <b>IMP-SEC3-03</b>	
		Revision No: 5	Revision Date: 12/19/08	Page: 1 of 3
Procedure: <b>OPERATING PRESSURE PROCEDURE</b>				

## 1.0 PURPOSE:

- 1.1 The purpose of this document is to establish a standardized procedure for determining temporary reductions of operating pressure set points to ensure pipeline segments are not operated at pressures above safe limits.

## 2.0 PROCEDURE:

### 2.1 Temporary Reductions of Operating Pressure

- 2.1.1 The operating set point of pressure control equipment may be temporarily lowered as determined by the evaluation of indications from an integrity assessment or visual observation.
- 2.1.2 When an indication that meets a criteria listed in 2.1.2 is discovered, a temporary shutdown of the line or reduction of the operating pressure shall be initiated by the Pipeline Integrity Engineer, Pipeline Integrity Engineering Supervisor, or the Pipeline Integrity Manager.
- 2.1.2.1 For indications that meet the immediate repair criteria per 195.452(h)(4)(i)(C), 452(h)(4)(i)(D) or 452(h)(4)(i)(E), the operating pressure shall be temporarily reduced by 20%.
- 2.1.2.2 For metal loss indications that meet the criteria of 195.452(h)(4)(i)(A), a temporary operating pressure shall be established for the location of the indication by performing calculations based upon the formula in section 451.7 of ASME/ANSI B31.4 or by a pressure reduction of 20%.
- 2.1.2.3 For metal loss indications that meet repair criteria per 195.452(h)(4)(i)(B) and 452(h)(4)(iii)(D), the operating pressure shall be temporarily reduced to the Safe Working Pressure at the location of the indication.
- 2.1.3 A temporary reduction in operating pressure for mitigating the indications listed in 2.1.1 or 2.1.2 shall remain until the indication has been remediated, but shall not exceed 365 days without further remedial action to ensure the safety of the pipeline. When a pressure reduction exceeds 365 days PHMSA will be notified, in accordance with 195.452(m), to explain the reasons why.
- 2.1.4 The Pipeline Integrity Engineer, Pipeline Integrity Engineering Supervisor, or Pipeline Integrity Manager shall communicate the temporary operating set point of the pressure control equipment to the Operations Supervisor and the Manager responsible for pipeline control of the affected pipeline segment.

- 2.1.5 When indication(s) requiring temporary reduction in operating pressure has (have) been remediated, the Pipeline Integrity Engineer, Pipeline Integrity Engineering Supervisor, or Pipeline Integrity Manager shall communicate to the Operations Supervisor and the Manager responsible for pipeline control of the affected pipeline segment that the requirement for temporary reduction of operating pressure has been terminated.
- 2.1.6 Documentation of calculations and communications to initiate and terminate temporary reductions of operating pressure shall be maintained per 49CFR195.404(c)(3).

### 3.0 REFERENCES:

#### 3.1 Regulatory -

- 3.1.1 49 CFR Part 195
- 3.1.2 ASME/ANSI B31.4
- 3.1.3 ASME/ANSI B31G

#### 3.2 Related Policies/Procedures/Standards -

- 3.2.1 Integrity Assessment Results Review process (Section 3)
- 3.2.1 ILI Report Analysis Procedure for HCAs

#### 3.3 Forms and Attachments –

- 3.3.1 N/A

### 4.0 DEFINITIONS

- 4.1 Safe Working Pressure – The calculated safe operating pressure of a corroded area determined by multiplying the calculated failure pressure by the appropriate design factor for the pipeline system. The calculation methods for failure pressure include, but are not limited to, ASME/ANSI B31G ("Manual for Determining the Remaining Strength of Corroded Pipelines" (1991) or AGA Pipeline Research Committee Project PR-3-805" ("A Modified Criterion for Evaluating the Remaining Strength of Corroded Pipe" (December 1989)).

➤➤➤End of Procedure<<<<

### Change Log

Date	Rev. #	Change Location	Brief Description of Change
1/24/05	1	2.1.2	Added: "temporary shutdown" as option for pressure reduction
8/22/05	2	Title Block	Replaced Paul Klein with Joe Cheek as owner.
8/22/05	2	3.2.1	Removed "/chapter".
8/22/05	2	Title Block	Added : "EPOLP Pipeline Integrity Management Program".
8/22/05	2	2.0	Modifications to PI position titles performed to reflect recent changes in PI Group position titles.
7/16/07	3	Title Block	Removed the reference to EPOLP, removed the Enterprise logo, and changed the owner to F. Henry Martinez.
7/16/07	3	2.1.2.2	Removed "whichever pressure reduction is greater".
9/29/08	4	Title Block	Replaced F. Henry Martinez with Mike Palmer as owner.
9/29/08	4	2.1.3	Inserted a requirement for an explanation submittal to PHMSA when a pressure reduction exceeds 365 days.
12/19/08	5	2.1.2.2	Replaced "safe working pressure" with requirement to utilize AMSE/ANSI B31.4 for pressure reduction calculations
12/19/08	5	2.1.2.3	Minor revision to capitalize the words Safe Working Pressure
12/19/08	5	2.1.4 and 2.1.5	Replaced title "Supervisor" with "Manager" for pipeline control
12/19/08	5	3.1.2 and 3.1.3	Updated references
12/19/08	5	2.1.2, 2.1.4, 2.1.5	Inserted Pipeline Integrity Engineering Supervisor
12/19/08	5	Title Block	Replaced Mike Palmer with Phu Phan as owner.