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Manager – System Integrity

October 12, 2015

Mr. Byron E. Coy, PE
Director, Eastern Region
United States Department of Transportation
Pipeline and Hazardous Materials Safety Administration, Office of Pipeline Safety
Eastern Region – New Jersey District Office
820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628

RE: CPF 1-2015-3004

Dear Mr. Coy:

This letter is provided on behalf of Columbia Gas Transmission, LLC (Columbia Gas) in response to the Notice of Probable Violation (NOPV) CPF 1-2015-3004, dated September 8, 2015 and received on September 9, 2015. The NOPV was issued following inspections conducted by the PHMSA Eastern Region from December 8th through 12th, 2014, of the Columbia Gas liquefied natural gas (LNG) plant in Chesapeake, VA. On September 10, 2015, Columbia Gas requested a copy of the case file and additional time to respond to the NOPV. PHMSA provided the violation report via a letter dated September 18, 2015, and received on September 21, 2015, and granted an extension of the time in which to respond until 30 days after receipt of the violation report. Columbia appreciates the additional time to respond.

The items mentioned in the NOPV are shown in bold, below, followed by Columbia Gas's response.

1. §193.2637 Remedial measures.

Prompt corrective or remedial action must be taken whenever an operator learns by inspection or otherwise that atmospheric, external, or internal corrosion is not controlled as required by this subpart.

CGT failed to take prompt corrective or remedial action when it learned by its inspection that atmospheric corrosion is not controlled as required by this subpart. Specifically, CGT failed to follow its procedures by not remediating deficiencies found during its atmospheric corrosion inspections within the timeframes specified in its procedure.

CGT's procedure, 310.42.01 – Chesapeake LNG Facility Corrosion Control, Section 3.3 "Atmospheric Corrosion of LNG Facility Piping and Pressure Containing Equipment" effective 11/18/2014, describes the inspection requirements for jurisdictional gas pressure carbon steel piping and pressure containing equipment exposed to the atmosphere. Section 3.3.2.D states:

"Atmospheric corrosion will be assigned a condition level based on visual inspection. For the purposes of this section of the plan, the following atmospheric condition level definitions will be used:

- **Level 1 – Corrosion with pitting or wall loss**
- **Level 2 – Flash rust / surface oxidation with no pitting**
- **Level 3 – No corrosion present"**

Section 3.3.2.F states in part:

"Atmospheric corrosion shall be remediated within the following. . .

- **Level "2" – Corrosion mitigation or a re-inspection shall be performed within 12 months of discovery. If atmospheric corrosion graded at Level 2 is re-inspected and the grade remains at a Level 2, mitigation shall be performed within 6 months but not to exceed 12 months of re-inspection. If the atmospheric corrosion has progressed to a Level 1 grade, mitigation shall be performed within 6 months of the re-inspection. Only a single re-inspection is permitted for Level 2 corrosion."**

During the inspection, the PHMSA inspector reviewed records from 12/12/2012 to 12/12/2014, and identified 7 instances where the time between initial inspection and re-inspection of Level 2 atmospheric corrosion exceeded the maximum 12 months. No associated mitigation work was performed during this same 12 month period.

For five of the seven instances, the follow-up was performed and documented. The remaining two instances did not have follow-up work performed prior to the end of the PHMSA inspection. Those two instances had a targeted follow-up date of 12/31/2014.

Columbia Gas Response

Based upon a review of the case file, six of the seven instances noted above were associated with gas bearing components and one instance was associated with a conduit, a non-gas bearing component. Of the six instances on gas bearing components, all were identified with Level 2 atmospheric conditions (flash rust/surface oxidation with no pitting). The atmospheric conditions in each of the six instances were remediated or the components were removed from service within 24 months of the initial inspections identified in the case file in compliance with Columbia's Plan 310.42.01 – *Chesapeake LNG Facility Corrosion Control*. A copy of Plan 310.42.01 is included in PHMSA's case file.

As noted above, one of the seven instances was associated with a conduit, a non-gas bearing component. The condition levels associated with non-gas bearing components are described under Section 3.5.2(A) of Columbia's Plan 310.42.01. Following the plan, atmospheric corrosion for non-gas bearing components are assigned one of two condition levels based upon visual inspection, as follows:

- Level "1" – Corrosion that is considered detrimental to the integrity of that component
- Level "2" – No visual evidence of corrosion that is considered detrimental to the integrity of that component.

Remedial actions for non-gas bearing components are described in Section 3.5.2(C) of Plan 310.42.01. As described in this plan, for components with a condition Level 2, "...No further examination or remediation is required." An inspection of the conduit was completed on December 30, 2012 (reference Work Order B3128638 included in the case file). The value entered into the work order for this non-gas bearing component to indicate the condition level of the component was "2" indicating that no visual evidence of corrosion was found and no further examination or remediation was required.

Columbia will review its work management practices at the Chesapeake LNG to ensure that re-inspection of Level 2 atmospheric corrosion for gas bearing components is completed within one year of the original inspection date and that the inspections are properly documented in the work management system. Based on the above, Columbia respectfully requests reconsideration of the NOPV and/or elimination or reduction of the proposed civil penalty.

If you have any questions or would like additional information, please do not hesitate to contact me.

Sincerely,



Perry M. Hoffman
Manager – System Integrity
Columbia Pipeline Group