



VIA E-MAIL AND UPS OVERNIGHT

February 21, 2013

Mr. Rodrick M. Seeley, P.E.
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration
8701 South Gessner, Suite 1110
Houston, Texas 77074

**RE: Request for Hearing and Preliminary Statement of Issues
Notice of Probable Violation, Proposed Civil Penalty, and Proposed
Compliance Order, CPF No. 4-2013-1001**

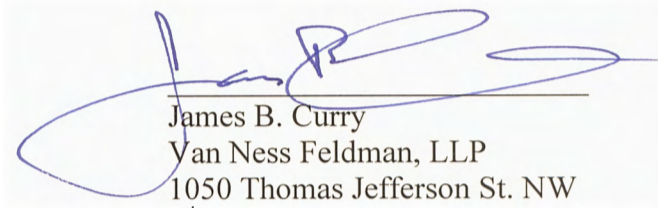
Dear Mr. Seeley:

As provided under 49 C.F.R. §§ 190.209 and 190.211, Air Products and Chemicals, Inc. ("Air Products") respectfully submits a Request for Hearing and Preliminary Statement of Issues regarding the Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order ("Notice") issued by the Pipeline and Hazardous Materials Safety Administration ("PHMSA") on January 2, 2013. Air Products received the Notice on January 11, 2012. By letter dated January 16, 2013, Air Products requested PHMSA's case file in this matter and additional time to respond to the Notice. PHMSA counsel provided Air Products with the case file by e-mail that same day. By letter dated January 24, 2013, PHMSA provided Air Products until February 22, 2013, to respond to the Notice.

Air Products appreciates the extension of time to respond to the Notice and PHMSA counsel's speedy transmittal of the case file. As you know, the Notice concerns allegations related to the construction of Air Products' Gulf Coast Connection Project ("GCCP") hydrogen pipeline in Texas and Louisiana. Air Products takes pipeline safety and these allegations seriously, and looks forward to discussing and resolving PHMSA's

concerns at or before the hearing. Please do not hesitate to contact me if you have any questions about Air Products' request for hearing or preliminary statement of the issues.

Respectfully submitted,



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CC: Benjamin Fred, Esq., Presiding Official, PHMSA
Lawrence White, Esq., Senior Attorney, PHMSA
Todd Solodar, Esq. EH&S Counsel, Air Products

Attachment: Request for Hearing and Preliminary Statement of Issues

February 21, 2013
Air Products and Chemicals, Inc.
Request for Hearing and Preliminary Statement of Issues
Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance
Order, CPF No. 4-2013-1001

Request for Hearing

Pursuant to § 190.209(a) and (b), Air Products requests a hearing on the alleged violations, proposed civil penalties, and proposed compliance order contained in the Notice. Air Products will be represented by counsel at the hearing. Pursuant to § 190.211(a), the issues Air Products intends to raise are identified in the following Preliminary Statement of Issues.

Preliminary Statement of Issues

Notice Item 1 – 49 C.F.R. §§ 192.303 & 192.461(e).

- a. Whether Air Products complied with the requirement that it construct its Gulf Coast Connection Project (“GCCP”) hydrogen pipeline in accordance with comprehensive written specifications or standards, pursuant to § 192.303. Specifically, whether Air Products followed its construction specification related to pipe coating for pipe installed in directional drills.
- b. Whether Air Products complied with the requirement to take adequate precautions to minimize damage to the coating on its pipeline during installation by boring, driving or other similar methods, pursuant to § 192.461(e).
- c. Whether PHMSA’s \$60,000 proposed civil penalty should be eliminated or reduced.
- d. Whether PHMSA’s proposed compliance order should be eliminated or modified.

Notice Item 2 – 49 C.F.R. § 192.303.

- a. Whether Air Products complied with the requirement that it construct its GCCP hydrogen pipeline in accordance with comprehensive written specifications or standards, pursuant to § 192.303. Specifically, whether Air Products followed its pipeline installation procedure related to the review of welding procedures.
- b. Whether PHMSA’s \$20,000 proposed civil penalty should be eliminated or reduced.

Air Products will be prepared to provide more detailed information regarding the above-listed issues during the hearing.