

# **National Fuel**

RECEIVED DEC 21 2012

JR

**John R. Pustulka**  
*President*

December 18, 2012

U.S. Department of Transportation  
Pipeline and Hazardous Materials Safety Administration  
820 Bear Tavern Road, Suite 103  
West Trenton, NJ 08628  
Attention: Brian Coy, P.E., Director, Eastern Region

Dear Mr. Coy:

This letter is in response to your Warning Letter dated November 29, 2012 sent to National Fuel Gas Supply Corporation (National), referencing CPF 1-2012-1024W. This response is being sent to advise PHMSA of National's understanding of the inspection concerns raised, and to provide clarification of the inspection activities which actually took place in the field during our Line N 2012 Pipeline Expansion Project. National takes pipeline safety very seriously and considers pipeline construction quality to be of utmost importance.

### Section 192.307 – Inspection of materials

Our on-site construction management left the construction inspection review meeting with the understanding that the changes that National had made to its material inspection procedure were acceptable to the PHMSA inspector. All pipe on this project was inspected multiple times during various stages of the project's construction. The pipe was inspected at the pipe mill during its manufacture, upon offloading from the stringing trucks, prior to welding, during coating and holiday detection, during lowering into the trench, and after installation by means of geometry pigging.

The issue appears to be the method of documenting material inspection. In past inspections, PHMSA has not raised a concern over the same material inspection and documentation procedures utilized on this project. We will review our procedures to determine whether additional inspection or documentation is necessary. However, we take strong exception to the claim that we "failed to visually inspect," and reiterate that, in no case, was pipe installed that was not repeatedly and thoroughly inspected for damage.

Brian Coy, P.E.  
U.S. Department of Transportation  
Pipeline and Hazardous Materials Safety Administration  
Page 2  
December 18, 2012

Section 192.241 – Inspection and test of welds

National does not believe that the frequency of inspection suggested by the PHMSA representative at the construction inspection review meeting would be appropriate, or that adopting this frequency would measurably improve weld quality or confidence in weld quality. We reiterate the essential weld quality control inspection activities that we previously highlighted and are considered standard practice, including 100% non-destructive testing by means of radiographic examination, and pressure testing of the pipeline to pressures that far exceed the pipeline's MAOP/MOP. National nevertheless appreciates PHMSA's stated concern about welding inspection, and we will therefore review our current specifications to determine the best means of improving our weld parameter inspection guidelines.

Conclusion

National believes that the intent of DOT Code Part 192, with regard to material receiving and pipeline welding, is to ensure that pipeline construction is performed so as to install a pipeline that will be operated safely and without incident for many decades. National considers pipeline safety to be at the top of all priorities. National intends to review and, where necessary, to improve its inspection procedures for both material receiving and welding inspection. We would appreciate the opportunity to engage in a technical discussion on these subjects with appropriate PHMSA policymaking personnel, and we hereby request such a meeting.

If you have further concerns about our plans to improve our existing inspection and documentation procedures, please feel free to contact either Steve Glass (814-871-8542) or Jeff Kittka (814-871-8625) at any time.

Sincerely,

NATIONAL FUEL GAS SUPPLY CORPORATION

By:

  
\_\_\_\_\_  
John R. Pustulka, President