U.S. Department
of Transportation

**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.771.7800

# NOTICE OF AMENDMENT

**OVERNIGHT EXPRESS DELIVERY**

December 21, 2017

Steven Thompson, Senior VP
Eastern Shore Natural Gas Company
909 Silver Lake Boulevard
Dover, DE 19901

**CPF 1-2017-1023M**

Dear Mr. Thompson:

From December 7-9, 2015, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Eastern Shore Natural Gas Company's procedures for construction in Dover, DE.

On the basis of the inspection, PHMSA has identified the apparent inadequacy found within Eastern Shore Natural Gas Company's procedures, as described below:

1. **§ 192.225 Welding Procedures.**

   ...

   **(b) Each welding procedure must be recorded in detail, including the results of the qualifying tests. This record must be retained and followed whenever the procedure is used.**

   Eastern Shore Natural Gas' (ESNG) welding procedures were inadequate. Specifically, ESNG's Construction Standards Manual did not record adequate details regarding time between weld passes, as required by API Standard 1104 – Welding of Pipelines and Related Facilities, 20th Edition (API 1104).

   During the inspection, a PHMSA inspector reviewed ESNG's Construction Standards Manual - SMAW Procedure No 10, dated 03/16/2013 (Procedure).

The Procedure stated in part under Section 10, Time Lapse Between Passes, "The time lapse between subsequent passes is unlimited."

API 1104, Section 5.3.2.10 states:

The maximum time between the completion of the root bead and the start of the second bead, as well as the maximum time between the completion of the second bead and the start of other beads, shall be designated.

On January 15, 2016, API issued a technical interpretation clarifying the intent of Section 5.3.2.10 of API 1104 20th edition, stating "Yes, the intent of API 1104, Section 5.3.2.10 is to identify the maximum time between the 1st pass and 2nd pass and the maximum time between the 2nd pass and 3rd pass."

Therefore, ESNG's Procedure did not satisfy in part, the maximum time between the completion of the second bead and the start of other beads, per the requirements of API 1104 Section 5.3.2.10.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. 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).

Following the receipt of this Notice, you have 60 days to submit written comments, revised procedures, or a request for a hearing under §190.211. If you do not respond within 60 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 an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 60 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that Eastern Shore Natural Gas Company maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Robert Burrough, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, West Trenton, NJ 08628. Please refer to **CPF 1- 2017-1023M** on each document you submit, and whenever possible provide a signed PDF copy in electronic format. Smaller files may be emailed to robert.burrough@dot.gov. Larger files should be sent on a CD accompanied by the original paper copy to the Eastern Region Office.

Additionally, if you choose to respond to this (or any other case), please ensure that any response letter pertains solely to one CPF case number.

Sincerely,

Robert Burrough
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

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