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

March 26, 2018

Mr. James Fedena
Senior Vice President of Logistics
Delaware Pipeline Company, LLC
4550 Wrangle Hill Road
Delaware City, DE 19706

CPF 1-2018-5014M

Dear Mr. Fedena:

From December 5 – 8, 2016, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Delaware Pipeline Company, LLC (Delaware) pipeline terminal for pipeline construction in Delaware City, DE.

On the basis of the inspection, PHMSA has identified the apparent inadequacy found within Delaware's plans or procedures, as described below:

1. § 195.214 Welding procedures.

(a) Welding must be performed by a qualified welder or welding operator in accordance with welding procedures qualified under section 5, section 12, Appendix A or Appendix B[1] of API Std 1104 (incorporated by reference, see § 195.3), or Section IX of ASME Boiler and Pressure Vessel Code (BPVC) (incorporated by reference, see § 195.3). The quality of the test welds used to qualify welding procedures must be determined by destructive testing.

Delaware's Welding Compliance Volume – Welding and NDT Procedures (Welding Manual) was inadequate. Specifically, Delaware's Welding Manual failed to include welding procedures that referenced and were qualified to the 20th edition of API 1104, as incorporated by § 195.3(b)(20).

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[1] § 195.214 (a) was changed effective March 24, 2017 to include Appendix B of API 1104. This change came into effect after this inspection was performed.

During the inspection, the PHMSA inspector reviewed Delaware's Welding Manual, which included the Welding Procedure Specifications (WPSs) and the associated Procedure Qualification Records. The Welding Manual reviewed included statements that some WPSs were qualified and certified by the procedures of API 1104, latest edition, which currently is API 1104, 21st edition. In addition, the Welding Manual referenced API 1104, 17th edition and API 1104, 18th edition. Lastly, the Welding Manual cited API 1107, which is an outdated standard for maintenance welding that was discontinued by API in 2005 and is not recognized by § 195.214 (a).

Therefore, Delaware's Welding Manual, with references to API 1104, latest edition; API 1104, 17th edition; and API 1104, 18th edition; was inadequate per the requirements of § 195.3(b)(20), and with references to API 1107, was inadequate per the requirements of § 195.214 (a).

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 30 days to submit written comments, revised procedures, or a request for a hearing under §190.211. If you do not respond within 30 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 30 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 Delaware Pipeline Company, LLC 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- 2018-5014M** 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*