

IMTT-BAYONNE LLC

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Robert Burrough, Director
Eastern Region
Pipeline and Hazardous Materials Safety Administration
Department of Transportation
840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628

via email robert.burrough@dot.gov

Re: Notice of Amendment CPF 1-2019-5011M
IMTT Bayonne Terminal & Pipeline

Dear Mr. Burrough:

IMTT has reviewed the Notice of Amendment referenced above in which PHMSA requests certain amendments to procedures based on an inspection from May 14, 2018 – May 18, 2018 of certain procedures in IMTT - Bayonne Terminal and IMTT - Pipeline.

For the purposes of clarity, the issues presented by your office will be restated with IMTT's response immediately following in italic font. The following revisions are already in place to the procedures for item # 1 and item #2 and are attached to this response for your review and revisions within the procedures are highlighted in yellow. Should you have any questions or concerns regarding these procedural revisions, please call me directly at 201-563-9826.

Sincerely,

Jason Sluzynski
IMTT
Assistant Director of Engineering for Compliance & Maintenance
Jasonsluzynski@imtt.com

Enclosures:

- IMTT's Response
- OM&E Manual Version 3, Dated 6May19
- Construction Manual Version 2, Dated 25Jan19
- PHMSA Pumps Pressure Switch Test, Curries; Dated 3Jan19

cc: Robert Mieczkowski, Pipeline Manager IMTT Pipeline
Richard Ambrosio, Director of Operations IMTT Bayonne
Kevin Kappock, Director of Engineering IMTT Bayonne
Traci Johnson, Vice President of EHSS – IMTT
Sunny Risler, General Manager IMTT – Northeast

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1. **§195.202 Compliance with specifications or standards**

Each pipeline system must be constructed in accordance with comprehensive written specifications or standards that are consistent with the requirements of this part.

“During the inspection, IMTT’s written procedures for testing breakout tanks were reviewed. The Construction Manual, Section 13.3 Testing Procedure for New Breakout Tanks, and IMTT Operations, Maintenance and Emergency Manual, dated June 2017 (OM&E Manual), Section 10.5.4, each repeated code language of §195.307(d), but failed to specify a detailed procedure for the hydrostatic testing of repaired, altered or reconstructed breakout tanks to meet the requirements of API 653, Section 12.3.

Therefore, IMTT’s written specifications or standards were inadequate regarding hydrostatically testing new, repaired, altered or reconstructed breakout tanks in accordance with §195.307”

IMTT’s Response:

IMTT has revised the OM&E section 10.5.4 Pressure Testing Procedures for Breakout Tanks and including the following language:

Testing IMTT above ground breakout tanks shall occur for the listed activities.

- a) New Construction,
- b) Major floor repairs or floor replacement,
- c) Replacement of the annular ring.

All tests shall be in accordance to API 653, section 12.3 and API 650, section 7.3.6. Records will be stored for the full fill tests for the life of the asset and are saved out of the BLIS system in an electronic format on the designated server for each tank. All field test forms must be stored with the tank file upon completing the test.

Testing shall comply with applicable standards for fill testing by tank type as incorporated in 49 CFR:

IMTT has removed Section 3.4.12.1 from the OM&E manual and incorporated the following additions underneath Section 3.13.5.2 (14&15):

- 1) Take necessary precautions to prevent freezing of the water in the pipeline system and adjacent appurtenances.
- 2) Regarding Testing for breakout tanks an incremental fill up to the safe fill height is required and the fill must be held for 24-hours to inspect for leaks and structural integrity per the above methods.
 - a) The Engineering department is responsible to determine if a tank requires a fill test by adhering to the hydrotest exemption decision tree process and supply written record in accordance to API 653 and API 650.

- b) If an exemption occurs based on the decision tree, then an alternative must be used Fitness For Service (FFS).
- c) Hydrostatic fill tests are required for major tank repairs and new construction:
 - i) Tank floor replacements and any major structural repair.
 - ii) Major floor repair in the critical zone within 12" extension of the interface of floor and shell.
 - iii) Repair to the annular ring.
 - iv) New construction to API 650.

Furthermore, section 13.3 of IMTT's Construction Manual was revised to include the following language:

Per 49 CFR 195.307, IMTT tests newly constructed pipe associated with tie-ins and aboveground BOTs as follows unless the tanks qualify for exemption via engineering approval through FFS (fitness for service) methodology (Decision Tree):

- a) For aboveground BOTs built to *API SPEC 12F* and first placed in service after October 2, 2000, perform pneumatic testing in accordance with Section 5.3 of *API SPEC 12F*.
- b) For aboveground BOTs built to *API STD 620* and first placed in service after October 2, 2000, perform hydrostatic and pneumatic testing in accordance with Section 7.18 of *API STD 620*.
- c) For aboveground BOTs built to *API STD 650* and first placed in service after October 2, 2000, perform hydrostatic and pneumatic testing in accordance with Section 7.3.5 and 7.3.6 of *API STD 650*.
- d) For aboveground breakout tanks built to *API STD 2510* and first placed in service after October 2, 2000, perform pressure testing in accordance with *ASME BPVC*, Section VIII, Division 1 or 2.
- e) Upon API STD 653 inspections resulting in major repairs such as replacing the tank floor, the annular ring, or other major structural repairs, a pressure test is required. Regarding tanks that are exempt from pressure testing, the FFS alternative process must be performed via engineering approval (refer to the Decision Tree).

The IMTT *Operations, Maintenance, and Emergency Manual (OM&E Manual)* provides additional technical hydrostatic procedures required by 49 CFR Part 195, Subpart E. For tanks exempted from pressure testing, refer to the FFS alternatives to pressure testing upon engineering justification and approvals (see Decision Tree for FFS criteria and Hydrostatic Exemption).

2. §195.202 Compliance with specifications or standards

Each pipeline system must be constructed in accordance with comprehensive written specifications or standards that are consistent with the requirements of this part.

“During the inspection, IMTT’s Construction Manual, Section 15, was reviewed and stated in part:

“IMTT provides the following equipment items in each pump station:

- Safety devices that prevent over pressuring of pumping equipment, including the auxiliary pumping equipment within the pumping station
- A device for the emergency shutdown of each pumping station
- If power is necessary to actuate the safety devices, an auxiliary power supply

IMTT-Bayonne test each safety device under simulated operating conditions to determine if they function properly before the pumping station is used.”

IMTT’s OM&E Manual, Section 10.12 was also reviewed and found to repeat the code language. It stated:

“Each safety device shall be tested under conditions approximating actual operations and found to function properly before the pumping station may be used.”

No additional details were provided in these manuals on how this testing is conducted, and no record keeping requirements in the procedures, standards, or specifications to ensure IMTT can demonstrate compliance to the requirements of §195.262(c).

Therefore, IMTT’s written specifications were in adequate regarding testing pump equipment safety devices in accordance with §195.262(c).

IMTT’s Response:

IMTT has revised the OM&E Manual to include: section 2.8.3.6 Pump Pressure Switch Testing to satisfy §195.262(c). Additionally, to demonstrate compliance with §195.262(c), the “PHMSA Pumps Pressure Switch Test” form was created for use in the field and is uploaded to IMTT’s computerized maintenance management system “Infor EAM”. IMTT utilizes “Infor EAM” to generate preventive maintenance work orders to perform these Pressure Switch Tests on an annual basis not to exceed 15 months. IMTT’s Construction Manual Section 15 was revised and refers to OM&E section 2.8.3.6 for testing procedures.