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August 5, 2019

**VIA EMAIL: Robert.burrough@dot.gov**

Robert Burrough  
Director  
PHMSA Eastern Region  
840 Bear Tavern Road, Suite 300  
West Trenton, New Jersey 08628

**Re: NOPV and Proposed Compliance Order, CPF 1-2019-6004**

Dear Mr. Burrough:

Hess Corporation ("Hess") has received the above-referenced Notice of Probable Violation and Proposed Compliance Order dated May 6, 2019. On June 4, 2019, Hess requested additional time to respond, and a 60-day extension was granted until August 5, 2019. This letter is Hess' timely response to the NOPV. Hess appreciates that you decided not to propose a civil penalty assessment, and given the status of the line, Hess believes this decision continues to be appropriate. Hess will not request a hearing on the above-referenced matter.

Hess' North Jersey Pipeline System (the "System") has been rendered for future use since 2005. At the time it was rendered for future use, the System was purged, pigged, and filled with inert gas. System gauges are pressure checked every six months, and a line inspection is conducted every two weeks: nitrogen pressures are checked; rectifier readings are preformed; and field observations for visual damage are made. During the past several years, Hess has explored potential options to sell the System or return it to active service, but Hess has not yet identified a permanent economic solution for the System. Accordingly, Hess is currently evaluating options to permanently abandon the pipeline in accordance with PHMSA regulations.

**Hess response to Alleged Probable Violations 1:**

Hess has conducted cathodic protection surveys of the System approximately every 15 months to inspect the cathodic protection rectifiers for physical damage, evaluate the integrity of connections, look for evidence of arcing, and check the condition of shunts. The most recent full cathodic protection survey of the System was performed between February 12 and February 14, 2019.

Hess acknowledges that several test points could not be tested because they could not be accessed, could not be located, were damaged or demolished, or had missing test wires. However, several of these missing or defective test stations are less than 1,000 feet from the next test station, so representative structure-to-soil potentials can be obtained on either side of these missing or damaged test stations.

**Hess response to Alleged Probable Violations 2:**

In the most recent survey, Hess found that approximately 10 percent of the valid test points had structure-electrolyte potentials less negative than -0.850 volts with respect to a copper/copper sulfate reference electrode. It should be noted, though, that some of the potentials obtained in this category are from test leads which are not identified and may not be associated with the subject pipeline.

The cathodic protection system on the Hess North Jersey pipeline consists of an impressed current system powered by four rectifiers with supplemental galvanic anodes. All four cathodic protection rectifiers associated with this pipeline are currently operational. The four rectifiers on the system are as follows:

1. Rectifier 1 located at the Essex Generating Station
2. Rectifier 1A located on Fish House Road in Jersey City
3. Rectifier 2 located at the West End Gas Plant
4. Rectifier 3 located at the Bergen Junction

The anode groundbed for Rectifier 1 was replaced on February 14, 2019, and supplemental data was collected after the 2019 full cathodic protection survey to determine the functionality of the newly installed anode groundbed for Rectifier 1. The DC voltage and current output of each cathodic protection rectifier was measured and recorded to be functioning properly. Accordingly, each of the deficiencies related to the failure to maintain Rectifier #1 and associated groundbed have now been corrected.

Additionally, Rectifier 1A and its associated anode groundbed was recently installed commissioned on February 4, 2019.

**Hess response to Alleged Probable Violations 3:**

Corrpro performed atmospheric inspections on December 11, 2012; April 19, 2016 (the current report from Corrpro incorrectly identifies the date as February 8, 2016); and February 26, 2019. Therefore, the time period from December 11, 2012, to April 19, 2016, exceeds the 3 year or 39 month time limit for atmospheric inspections by just one month.

**Proposed Compliance Order**

Hess continues to evaluate whether it will permanently decommission and abandon the System as allowed by applicable law. Hess has not made a decision on whether to permanently abandon or to reactivate these lines as of this writing, but Hess hopes to make this decision soon. If Hess abandons the System, it would do so in accordance with all applicable state and federal requirements. Likewise, if Hess were to reactivate the System, it would do so only after addressing the compliance issues identified in the NOPV. Accordingly, Hess asks that PHMSA modify the proposed Compliance Order i) to allow for abandonment as a remedy for the alleged compliance issues; and ii) to trigger the 180 day compliance periods from a decision to reopen by Hess or any successor in interest to the system to reopen.

We look forward to discussing this matter with you further.

Sincerely,

A handwritten signature in black ink, appearing to read 'ALAN LINDSEY', with a stylized flourish at the end.

Alan Lindsey

Sr. Legal Counsel