



August 14, 2020

Via Overnight Delivery Service

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

Re: UGI Energy Services, LLC

Response to Notice of Amendment CPF 1-2020-1029M

Dear Mr. Burrough:

This letter constitutes the formal response of UGI Energy Services, LLC (“UGIES”) to your Notice of Amendment letter on behalf of the Pipeline Hazardous Materials and Safety Administration (“PHMSA”) dated July 16, 2020 (the “NOA”), asserting apparent inadequacies in UGIES’ plans and procedures and specific actions that UGIES must take to comply with the pipeline safety regulations, at its facilities in Meshoppen, Allentown and Mansfield, Pennsylvania.

The NOA asserts in Item 1 that UGIES’ Gas Operations Manual did not fully comply with 49 CFR §192.455(a)(1) by not including adequate provisions for the field coating of girth welds, including characteristics of coating to be used, surface preparation requirements, and application standards specific to field coating of girth welds.

In response to the assertions in Item 1, UGIES has amended its procedure “001-04-SP-101 General Specifications, Below Ground Coating Specifications,” to further clarify how UGIES was complying with this requirement. The revised procedure is included with this letter.

The NOA asserts in Item 2 that UGIES’ Gas Operations Manual did not satisfy the requirements of 49 CFR §192.467(f) by not including adequate guidance for determining when protection against damage from fault currents or lightning is needed.

In response to the assertions in Item 2, UGIES has amended its procedure “Gas Operations Manual 40.30.60 Requirements for Corrosion Control – O&M Procedures”, specifically Section 7.0, to further clarify how UGIES was complying with this requirement. The revised procedure is included with this letter.

Robert Burrough, Director, Eastern Region

PHMSA

August 14, 2020

Page 2

The NOA asserts in Item 3 that UGIES' Gas Operations Manual failed to satisfy 49 CFR §192.481(c) by not including adequate provisions for classifying atmospheric corrosion and determining when atmospheric corrosion needed to be repaired.

In response to the assertions in Item 3, UGIES has amended its procedure "Gas Operations Manual 40.30.60 Requirements for Corrosion Control – O&M Procedures", specifically Section 13.0. The revised procedure and associated Corrosion Severity Chart is included with this letter. Atmospheric inspections completed on regulated pipelines between August 2017 and August 2020 were reclassified in accordance with the updated procedure, and where necessary, scheduled for remediation.

The NOA asserts in Item 4 that UGIES' Gas Operations Manual was inadequate under 49 CFR §192.605(b)(3) by not including a procedure for making construction records, maps, and operating history available to appropriate operating personnel, if applicable, to provide safety during maintenance and operations.

In response to the assertions in Item 4, UGIES has implemented the procedure "Gas Operations Manual 30.20.70 Maps & Records." The procedure is included with this letter.

The NOA asserts in Item 5 that UGIES' Gas Operations Manual did not fully conform to 49 CFR §192.605(b)(8) by not including a requirement to perform a review of operating personnel's work to determine the effectiveness and adequacy of the procedures used for normal operations and maintenance.

In response to the assertions in Item 5, UGIES has implemented the procedure "Gas Operations Manual 30.20.80 Field Evaluation of Procedures." The procedure is included with this letter.

The NOA asserts in Item 6 that UGIES' Transmission Integrity Management Plan was deficient under 49 CFR §192.935(c) by not including a requirement and guidance to perform a risk-based study to determine the need for an Automatic Shut-off valve or Remote-control valve.

In response to the assertions in Item 6, UGIES has amended its procedure "Transmission Integrity Management Plan", specifically Section 11, and the revised procedure is included with this letter.

I believe the attached revised procedures satisfy PHMSA's concerns in this matter.

Robert Burrough, Director, Eastern Region

PHMSA

August 14, 2020

Page 3

Please contact me at (610) 373-7999, ext. 1173 if you have any additional questions regarding this response.

Very truly yours,



Dante D' Alessandro

Vice President – Engineering and Operations

Enclosures:

Updated “001-04-SP-101 General Specifications, Below Ground Coating Specifications”

Updated “Gas Operations Manual 40.30.60 Requirements for Corrosion Control – O&M Procedures” and associated Corrosion Severity Chart

New Procedure “Gas Operations Manual 30.20.70 Maps & Records”

New Procedure “Gas Operations Manual 30.20.80 Field Evaluation of Procedures”

Updated “Transmission Integrity Management Plan”