



America's Propane Company

July 19, 2013

Mr. Wayne T. Lemoi
Director, Office of Pipeline Safety
PHMSA Southern Region
233 Peachtree Street
Suite 600
Atlanta, GA 30303

Re: **Notice of Probable Violation CPF 2-2013-0021**

Dear Mr. Lemoi:

This is to reply to the Notice of Probable Violation addressed to AmeriGas's COO, Paul Grady dated June 20, 2013 for alleged violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The Notice of Probable Violation has been referred to me for response.

Item 1 – Section 192.457 External Corrosion Control: Buried or Submerged Pipelines Installed before August 1, 1971:

(b) Except for cast iron or ductile iron, each of the following buried or submerged pipelines installed before August 1, 1971, must be cathodically protected in accordance with this subpart in areas in which active corrosion is found:

(3) Bare or coated distribution lines.

AmeriGas did not provide any records or other documentation to the OPS inspector to demonstrate that it had cathodically protected each of its buried coated distribution lines installed before August 1, 1971, in accordance with 49 CFR 192, Subpart I, or that it had determined these lines had no areas of active corrosion.

Sections 192.457 and 192.465 of the federal pipeline safety regulations make it clear that an operator must conduct an initial evaluation and periodic reevaluations of its pipelines and then cathodically protect those pipelines, in accordance with Subpart I, in areas in which active corrosion was found. The regulations also state that an operator must determine the areas of active corrosion by electrical survey. However, on distribution lines, areas of active corrosion may be determined by other means that include a review and analysis of leak repair and inspection

RECEIVED JUL 25 2013

Mr. Wayne T. Lemoi
July 19, 2013
Page 2

records, corrosion monitoring records, exposed pipe inspection records and the pipeline environment.

From 1960-1969 AmeriGas installed approximately 2 miles of $\frac{3}{4}$ - 1 inch diameter coated steel pipelines in the Brentwood #13, Brentwood #14 and Pleasant Ridge subdivisions. But AmeriGas did not provide to the OPS inspector any records or other documentation to show it had determined whether or not there were areas of active corrosion along these pipelines and it did not provide any records or other documentation to show these pipelines were cathodically protected.

Response

AmeriGas is currently evaluating the cost difference between cathodically protecting all of the Brentwood systems and the Pleasant Ridge Mobile Home Park or abandoning these systems and installing individual tanks at each location.

Item 2 – Section 192.723 Distribution Systems: Leakage Surveys:

(a) Each operator of a distribution system shall conduct periodic leakage surveys in accordance with this section.

(b) The type and scope of the leakage control program must be determined by the nature of the operations and the local conditions, but it must meet the following minimum requirements:

(2) A leakage survey with leak detector equipment must be conducted outside business districts as frequently as necessary, but at least once every 5 calendar years at intervals not exceeding 63 months. However, for cathodically unprotected distribution lines subject to § 192.465(e) on which electrical surveys for corrosion are impractical, a leakage survey must be conducted at least once every 3 calendar years at intervals not exceeding 39 months.

AmeriGas did not provide to the OPS inspector any records or other documentation to demonstrate that it had conducted a leakage survey with leak detector equipment of its Pleasant Ridge LPG distribution system in Deerfield Beach, FL, outside business districts in calendar year 2012 or in any of the preceding 5 calendar years.

Response

A leak survey is scheduled for the week of August 5, 2013 at the Pleasant Ridge LPG distribution system in Deerfield Beach, FL. The leak survey will be conducted using a CGI and subsurface as per our procedures.

Mr. Wayne T. Lemoi
July 19, 2013
Page 3

Item 3 – Section 192.739 Pressure Limiting and Regulating: Inspection and Testing.

(a) Each pressure limiting station, relief device (except rupture discs), and pressure regulating station and its equipment must be subjected at intervals not exceeding 15 months, but at least once each calendar year, to inspections and tests to determine that it is—

- (1) In good mechanical condition;
- (2) Adequate from the standpoint of capacity and reliability of operation for the service in which it is employed;
- (3) Except as provided in paragraph (b) of this section, set to control or relieve at the correct pressure consistent with the pressure limits of § 192.201(a); and
- (4) Properly installed and protected from dirt, liquids, or other conditions that might prevent proper operation.

AmeriGas did not provide to the OPS inspector any records or other documentation to demonstrate that it had inspected and tested each pressure limiting station, relief device (except rupture discs) and pressure regulating station and its equipment in calendar year 2012 for the following LPG distribution systems:

- Brentwood #1 – 8, FT. Lauderdale, FL.
- Brentwood #11 -19, FT. Lauderdale, FL.
- Pleasant Ridge, Deerfield Beach, FL.
- Madison Apartments, FT Lauderdale, FL.
- Sunshine Plaza, Tamarac, FL.

Response

The regulators that are installed at these systems (Fisher 64SR and Fisher R622) are all ANSI/UL 144, *Standard for LP Gas Regulators* approved. I have attached a withdrawal of allegation from an OPS inspection that occurred in December, 1997 which stated that NFPA 58/59 only requires that these regulators be UL 144 approved and does not require further testing and calculations. According to 49 CFR 192.11 (c), if there is a conflict between that part (Part 192) and ANSI/NFPA 58/59, ANSI/NFPA 58/59 will prevail. Since Part 192 requires testing or calculations and NFPA 58/59 does not, there exists a conflict therefore, the NFPA standard prevails.

I have also attached a list of Emerson (Fisher) regulators that are approved under the ANSI/UL 144, *Standard for LP Gas Regulators*.

Item 4 – 192.747 Valve Maintenance: Distribution Systems.

(a) Each valve, the use of which may be necessary for the safe operation of a distribution system, must be checked and serviced at intervals not exceeding 15 months, but at least once each calendar year.

AmeriGas did not provide to the inspector any records or other documentation to demonstrate that it had checked and serviced each valve which may be necessary for the safe operation of its pipeline distribution system at intervals not exceeding 15 months but at least once each calendar year.

AmeriGas records showed that it had exceeded the 15 month inspection interval for its LPG distribution system valve maintenance in calendar year 2012.

Response

AmeriGas has recently implemented a software system that is able to schedule and track completion of all compliance inspections, including valve maintenance. Additionally, all compliance inspections are now part of our District audits which include the verification of completion of compliance inspections, such as valve maintenance.

Thank you for your consideration in this matter. Please do not hesitate to contact me at 610-337-7000 (ext.1173) or by email to ed.boden@amerigas.com if you or your staff have any questions or require additional information.

Very truly yours,

Edward Boden
Safety & Technology Engineer

C.c.: Paul Grady