

Suburban Propane®

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February 12, 2020

Mr. Allen C. Beshore
Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Administration
901 Locust Street, Suite 462
Kansas City, Missouri 64106-2641

In response to your November 22, 2019 Notice of Probable Violation (Notice), CPF 3-2019-0003, that included a proposed civil penalty and a proposed compliance order, we contest the allegations and submit the following responses below along with supporting documentation for your review and consideration. We also request a copy of the proposed civil penalty worksheet, as we do intend to seek available economic relief where possible. Our desire is to cooperatively address the below items outside of a hearing by way of a conference call amongst the parties after you have had the opportunity to review this response. We would also request an opportunity to review the civil penalty worksheet prior to any further settlement discussions. If an informal conference is not a viable option, please accept this as our request for a formal hearing.

1. §192.603 General provisions.

(a)

(b) Each operator shall keep records necessary to administer the procedures established under §192.605.

Suburban did not keep records of its liaison meetings with fire, police and other public officials in accordance §192.603. Section 192.603 requires operators to keep records necessary to administer the procedures established under §192.605, which include the administering of Suburban's emergency plans as required by §192.615. During the inspection, Suburban was unable to produce records of the meetings with the appropriate fire, police and other public officials in order to demonstrate that it met the requirements of §192.615(c).

PROPOSED COMPLIANCE ORDER

In regard to Item Number 1 of the Notice pertaining to keeping records of its liaison meetings with fire, police and other public officials, Suburban shall establish its liaison with fire, police and public officials as required by §192.615(c) and keep records of these meetings to show compliance with Part 192. Suburban, L.P. shall provide records of its 2019 liaison meetings to the Central Region Director.

- Suburban will establish and maintain liaison with the appropriate fire, police and other public officials
- Documentation of all communications sent, along with the responses received, will be retained.
- Attached are copies of the most recent communications sent to local fire, police and other public officials which are intended to establish liaison as required by 49 CFR 192.615(c)

2. §192.743 Pressure limiting and regulating stations: Capacity of relief devices.

(a) Pressure relief devices at pressure limiting stations and pressure regulating stations must have sufficient capacity to protect the facilities to which they are connected. Except as provided in §192.739(b), the capacity must be consistent with the pressure limits of §192.201(a). This capacity must be determined at intervals not exceeding 15 months, but at least once each calendar year, by testing the devices in place or by review and calculations.

Suburban failed to determine, at intervals not exceeding 15 months but at least once each calendar year, that the pressure relief devices at its six gas propane distribution systems had sufficient capacity to protect the facilities to which they are connected. Specifically, Suburban had no regulator station design information for the pressure limiting and regulating devices that would show that the determined or calculated capacities of the devices are sufficient to meet the pressure limits of §192.201(a). Additionally, Suburban was unable to provide records showing that the determined and calculated capacities of the pressure relief devices were reviewed for calendar years 2015, 2016 and 2017.

Additionally, PHMSA's inspector found the documented regulator orifices for the Fisher 627 devices were incorrect for the regulator stations at Pine Crest II, Edgewood, Pineview and Terlingua. The orifice size was listed as 1-inch for the Fisher 627 with 1-inch body at the Pine Crest II, Edgewood, and Pineview stations. The largest orifice for this device is 1/2-inch. The orifice size was listed as 2-inch for the Fisher 627 with 2-inch body at the Terlingua station. Likewise, the largest orifice for this device is 1/2 inch. Suburban revised this information after being informed by PHMSA's inspector.

PROPOSED COMPLIANCE ORDER

In regard to Item Number 2 of the Notice pertaining to records of regulator station design capacities, Suburban shall document the design of each regulator station and pressure limiting station to include calculations of capacities of the devices to show that they are sufficient for the conditions under which they operate.

- The Bluffside, Pinecrest II, and Edgewood systems have been converted to monitoring regulator systems complying with 49 CFR 192.197(c)(2). Suburban plans to install monitoring regulator systems on the Terlingua and Pineview Mobile Home Park jurisdictional systems. Due to low winter temperatures we believe that shutting the system down at this time to facilitate the installation of the monitoring regulator set is of greater risk to the end users. We expect to have monitor regulator systems installed at all locations on or before May 30, 2020.

3. §192.619 Maximum allowable operating pressure: Steel or plastic pipelines

(a) No person may operate a segment of steel or plastic pipeline at a pressure that exceeds a maximum allowable operating pressure determined under paragraph (c) or (d) of this section, or the lowest of the following:

(1) The design pressure of the weakest element in the segment, determined in accordance with subparts C and D of this part•• .

(2) The pressure obtained by dividing the pressure to which the segment was tested after construction as follows •• .

Suburban did not correctly determine the maximum allowable operating pressure (MAOP) to be the design pressure of the weakest element of the segment. Suburban's records listed the MAOP on each of its six systems as 15 psig, but the PHMSA inspector found house service regulators having a maximum inlet pressure limit of 10 psig.

PROPOSED COMPLIANCE ORDER

In regard to Item Number 3 of the Notice pertaining to determining the maximum allowable operating pressure (MAOP) of each segment, Suburban shall review the components of each system to determine the design pressure of the weakest element of the segment and update the MAOP determinations. Records of the MAOP determinations shall be keep.

- Although the body of the house service regulators indicates a maximum inlet pressure limit of 10 psig, the specification sheets for the regulators state they are designed to allow an inlet pressure of up to 15 "pounds" (Rego) and 50 "pounds" (Fisher R652). Using these specifications Suburban designed the systems with an MAOP of 15 psig. Specification sheets for these regulators are included.
- Based on the inspector's recommendations and findings we have adjusted the 1ST stage MAOP from 15 psi to 10 psi. We have also reviewed the MAOP for the tank and the second stage segments of the systems and determined that no adjustments were necessary.

4. §192.201 Required capacity of pressure relieving and limiting stations.
- (a) Each pressure relief station or pressure limiting station or group of those stations installed to protect a pipeline must have enough capacity, and must be set to operate, to insure the following:
- (1) • • •
- (2) In pipelines other than a low pressure distribution system: (i) • • •
- (iii) If the maximum allowable operating pressure is less than 12 p.s.i. (83 kPa) gage, the pressure may not exceed the maximum allowable operating pressure plus 50 percent.

Suburban did not correctly set its pressure relief devices to operate at pressures consistent with the pressure limits of §192.201 (a)(2)(iii). Records showed that Suburban's pressure relief devices were set between 19 and 19.5 psig for five regulator stations, located at Terlingua, Pineview, Bluffside, Pinecrest II, and Edgewood. This pressure setting is above the MAOP, exceeding the operating pressure by approximately 50 percent. The actual MAOP of the five stations is 10 psig, as limited by house service regulators. Therefore, the maximum pressure setting of the relief valves would be 15 psig.

PROPOSED COMPLIANCE ORDER

In regard to Item Number 4 of the Notice pertaining to setting pressure relief devices at pressures consistent with the pressure limits of §192.201 (a)(iii), Suburban must adjust its pressure limiting and relieving devices to be in compliance with §192.201 and document the pressure settings if each device.

- As outlined in our response to item 3, Suburban utilized the regulator manufacturer's documentation to establish a 15 psig first stage MAOP for each of the six systems. The first stage MAOP has since been re-evaluated and lowered to 10 psig at the direction of the inspector.
- At the time of the inspection the established first stage MAOP for each system was 15 psig and therefore the relief valve set points would be required to comply with 49 CFR 192.201(a)(2)(ii) which states; *If the maximum allowable operating pressure is 12 p.s.i. gage or more, but less than 60 p.s.i. gage, the pressure may not exceed the maximum allowable operating pressure plus 6 p.s.i. gage .*
- While we understand the inspectors position that the first stage MAOP was too high, it is Suburban's position that since the established MAOP was 15 psig, and 192.201 clearly requires set points based on the established MAOP, the systems were in compliance with 192.201(a)(2)(ii) which would allow for a relief set point of up to 21 psig, 6 psig over the established 15 psig MAOP.
- As previously stated, the Bluffside, Pinecrest II, and Edgewood systems are now utilizing monitor regulation as permitted by 49 CFR 192.197(c)(2) as the means of protection against accidental over pressurization. Pressure relief settings at the remaining systems have been adjusted to 15 psig.

Thank you in advance for your consideration. Please contact me to discuss the possibility of an informal conference call to discuss our explanations provided above and to review the civil penalty proposed in your letter of 11/22/2019 which we received on 1/15/2020 via Fed Ex.

Sincerely,



Ed Moreno
CSC Manager

Attachments:

Regulator specification sheets
Emergency Responders Liaison Letters