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West

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Attn: Chris Hoidal  
 Director, Western Region  
 Pipeline and Hazardous Materials Safety Administration  
 12300 W. Dakota Ave., Suite 110  
 Lakewood, CO 80228

May 27, 2010

RE: CPF 5-2010-1001M  
 Response to July 2009 Audit – Notice of Amendment

Dear Mr. Hoidal,

In review of your Notice of Amendment Dated April 29, 2010, Energy West Development, (EWD) would like to submit for your consideration the following responses. All six of the probable violations pointed at inadequacies in our Gas Distribution Standards, which includes the O & M procedures for gas transmission pipelines. EWD believes we have addressed those inadequacies and has attached an electronic copy of our revised manual for your review. The applicable revision sheets showing dates and sections that were revised are also included. In addition, below is a summary of the probable violations and where the proposed resolutions can be found.

- #1 Section 14 Page 7 - (192.709)
- #2 Section 14 Page 8 - (192.225) Top of page #4
- #3 Section 14 Page 8 - (192.225,227,229) #7
- #4 Section 14 Page 11 - (192.243) Last Paragraph
- #5 Section 3 Page 12 - (192.517) Records
- #5 Section 14 Page 17 - (192.517) Records Addition
- #6 Section 12 Page 32 - (192.805,192.807) Addition

We would also point out that in the Notice of Amendment , the pipeline audited is referred to as the Shoshone "RIVER" Pipeline when it is just registered as the Shoshone Pipeline. I am enclosing the attachments in an email but offer hard copy if you prefer or if they are required. Please let me know.

Sincerely,

Bradley J Samuels

A handwritten signature in cursive script that reads "Bradley J Samuels".

Enclosure: electronic: Gas Distribution Standards  
Revision 1.15  
Revision 1.16

cc: Mike Petronis DOT  
Kevin Degenstien EWI  
Ira Shalis EWI  
Ed Kacer EWM  
Richard McGuire EWW

# ENERGY WEST Gas Distribution Standards

SUBJECT <b>TRANSMISSION LINES</b>				EFFECTIVE DATE <b>October 24, 2005</b>		SECTION <b>14</b>	
REPLACES All previous		DATED:		REVIEW BY: Ira Shaulis		DATE: 7/01/09	
				APPROVED BY: See Revision Sheet.		DATE: 7	

## PATROLLING – TRANSMISSION LINES (192.705, .709)

1. Patrolling programs for transmission lines shall consist of observing the surface conditions on and adjacent to the transmission line right-of-ways for indications of leaks, construction activity, and other factors affecting safety and operation. Methods include walking, driving or other appropriate means.
2. The frequency of patrols is determined by the size of the line, operating pressures, the class location, terrain and weather, but no longer than:

Class Location	Maximum interval between patrols	
	At Highway and RR Crossings	At all Other Places
1 & 2	7 ½ mos; but at least twice per calendar year.	15 mos; but at least once per calendar year
3	4 ½ mos; but at least 4 times per calendar year	7 ½ mos; but at least twice per calendar year
4	4 ½ mos; but at least 4 times per calendar year	4 ½ mos; but at least 4 times per calendar year

3. Method of patrolling include walking, driving, flying or other appropriate means of traversing the right-of-way.

## TRANSMISSION LINES: RECORD KEEPING (192.709)

The date, location, and description of each repair or modifications made to pipe (including pipe to pipe connections) shall be retained for as long as the pipe remains in service.

The date, location, and description of each repair made to parts of the pipeline system other than pipe must be retained for at least 5 years. However, repairs generated by patrols, surveys, inspections, or tests must be retained for at least 5 years or until the next patrol, survey, inspection, or test is completed, whichever is longer.

A record of each transmission line patrol, survey, inspection, and test must be retained for a least 5 years or until the next patrol, survey, inspection, or test is completed, whichever is longer.

## WELDING

### SCOPE (192.221, .225)

This section prescribes minimum requirements for welding steel materials in pipelines with the exception of welding that occurs during the manufacture of steel pipe or steel components. It covers the gas and arc welding of butt, fillet, and socket welds in carbon and low alloy steel pipe and fittings used to distribute fuel gases.

Welding may be done by shielded metal-arc, gas tungsten-arc, gas metal-arc, or oxyacetylene welding processes. Only manual technique is covered in this GDS. Semi-automatic and automatic welding techniques are covered in the codes and standards incorporated in DOT regulations. Welds may be produced by position or roll welding, or by a combination of both.

All welding shall be performed in conformance with Company approved welding procedures (WPS) containing all essential, non-essential, and supplemental variable necessary to develop sound ductile welds. These WPS are incorporated by reference in this standard.

# **ENERGY WEST** Gas Distribution Standards

SUBJECT <b>TRANSMISSION LINES</b>		EFFECTIVE DATE <b>October 24, 2005</b>	SECTION <b>14</b>			
REPLACES <b>All previous</b>	DATED: 	REVIEW BY: <b>Ira Shaulis</b>	DATE: <b>7/01/09</b>	APPROVED BY: <b>See Revision Sheet.</b>	DATE: 	PAGE NO. <b>8</b>

## PROCEDURE QUALIFICATION (192.225; Sec. 2-API 1104)

1. Prior to any welder qualification, a detailed procedure specification shall be established and qualified, for each welding specification, to demonstrate that welds with suitable mechanical properties (such as strength, ductility, and hardness) and soundness can be made by the procedure.
2. The quality of the welds shall be determined by destructive testing.
3. These procedures shall be adhered to except where a change is specifically authorized by the Company.
4. Each welding procedure must be recorded in detail, including the results of the qualifying tests. This record shall be retained and followed whenever the procedure is used.

## WELDING

### QUALIFICATION OF WELDERS (192.225, .227, .229)

Qualifications of Welder Qualification Procedures, welders, production welds, and repair welds shall be by Subpart E of the Pipeline Safety Regulations Part 192. Additional, more stringent regulations may be required by a State. Clarification and additions to these standards are as follows:

1. The recommendation of welding equipment and consumable manufacturers used under this standard are included in this section.
2. Company and contract welders must be qualified in accordance with Section 5 of API 1104, 20<sup>th</sup> edition, or Section IX of the ASME Boiler and Pressure Vessel Code 2004 edition.
3. A welder may not weld on pipe unless within the preceding 6 calendar months the welder has had one weld tested and found acceptable under Section 5 or 6 of API Standard 1104.
4. No welder may weld with a particular welding process unless, within the preceding 6 months, the welder has engaged in welding with that particular process.
5. If a welder is disqualified due to #4, above, the welder may take the appropriate test immediately with an approved qualified welding inspector present.
6. If a welder fails the qualification test, the welder may re-take the test immediately, if in the welding inspector's opinion, the test was unfair or incidents beyond the welder's control occurred. Failure for any other reason shall require the welder to submit proof of subsequent welder training or practice before the failed test may be repeated.
7. Records of qualifications shall be kept in the personnel files of each qualified employee.
8. Acceptance of production welds shall be by Sections 3, 5, and 6 of API Standard 1104. If design conditions dictate, more stringent criteria may be used.
9. When conditions dictate welding on pressurized lines, the pressure may be reduced if practical.
10. Arc burns shall be removed as a cylinder, or repaired.
11. Cracks shall be cut out as a cylinder whenever possible. The repair of cracks is only authorized where permitted by code and when complete weld removal is not practical.

# **ENERGY WEST** Gas Distribution Standards

SUBJECT <b>TRANSMISSION LINES</b>		EFFECTIVE DATE <b>October 24, 2005</b>	SECTION <b>14</b>			
REPLACES <b>All previous</b>	DATED:	REVIEW BY: <b>Ira Shaulis</b>	DATE: <b>7/01/09</b>	APPROVED BY: <b>See Revision Sheet.</b>	DATE:	PAGE NO. <b>11</b>

## NONDESTRUCTIVE TESTING (192.243)

Nondestructive testing of welds shall be done on any pipe with nominal diameter of 6 inches or greater that operates at a pressure that produces a hoop stress of 20 percent or more of SMYS and in accordance with 192.243.

Nondestructive testing of welds must be performed by any process, other than trepanning, that will clearly indicate defects that may affect the integrity of the weld. Nondestructive testing will be radiography for through-the-wall inspection and dye penetrant or magnetic particle for surface examination.

Nondestructive testing of welds must be performed:

1. In accordance with written procedures;
2. By persons who have been trained and qualified in the established procedures and with equipment employed in tests.

All nondestructive testing shall follow guidelines of A.P.I. 1104 Twentieth Edition Section 11.

When nondestructive testing is required, the following percentages of each day's field butt welds, selected at random, must be nondestructively tested over their entire circumference:

- (1) In Class 1 locations, except offshore, at least 10 percent.
- (2) In Class 2 locations, at least 15 percent.
- (3) In Class 3 and Class 4 locations, at crossing of major or navigable rivers, offshore, and within railroad or public highway rights-of-way, including tunnels, bridges, and overhead road crossings, 100 percent unless impracticable, in which case at least 90 percent. Nondestructive testing must be impracticable for each girth weld not tested.
- (4) At pipeline tie-ins, including tie-ins of replacement sections.

Except for a welder whose work is isolated from the principal welding activity, a sample of each welder's work for each day must be nondestructively tested, when nondestructive testing is required.

Nondestructive testing personnel shall be certified to Level I, II, or III in accordance with the recommendations of American Society for Nondestructive Testing, Recommended Practice No. SNT-TC-1A, ACCP or other recognized national certification program that shall be acceptable to Energy West for the test method used. Only Level II or III personnel shall interpret test results.

All nondestructive testing results shall be retained for the life of the pipeline, a record showing by milepost, engineering station, or by geographic feature, the number of girth welds made, the number nondestructively tested, the number rejected, and the disposition of the rejects.

# **ENERGY WEST** Gas Distribution Standards

SUBJECT <b>MAINS AND TRANSMISSION LINES</b>		EFFECTIVE DATE <b>July 10, 2003</b>	SECTION <b>3</b>
REPLACES <b>All previous</b>	DATED:	REVIEW BY: <b>Ira Shaulis</b>	DATE: <b>7/01/09</b>
		APPROVED BY: <b>See Revision Sheet.</b>	DATE: <b></b>
			PAGE NO. <b>12</b>

Length (L)  
Inside Diameter (D1)  
Wall Thickness (wt)  
Acceptance Criterion (p) = 2 psig.  
PI (pie) 3.1416

Normal test- The formula below is used to calculate a reasonable duration (formula is based on an acceptable leakage rate of 2.5 cfh).

$$\text{Internal Volume (V)} = \text{PI} \times \text{D1}^2 \times \text{L}/4 = 30 \text{ cubic feet (cf)}$$

$$t = 0.027 \times p \times V = \text{Test time in hours}$$

Example of 6" steel pipe at 100feet.                      Acceptance Criterion (p) = 2 psig.

L = 100'                      Inside Diameter (D1) = 6.249" = .5208'  
Internal Volume (V) = 3.1416 x .2712 x 100'/4 = 21.30 cubic feet (cf)  
Test time = 0.027 x 2 x 21.30 = 1.15 hours. Test for 1 hour and 30 minutes

**Note: Steel and plastic pipe calculations will be different based on outside diameter and wall thickness.**

## RECORDS (192.517)

1. A record of each pressure test shall be entered on a Service Order, or other applicable document. If a record of the test is required under 192.505 or 192.507, the record must be retained for the useful life of the facility and contain the following:
  - The operator's name, name of the employee making the test and name of any test company used.
  - Test medium used.
  - Test pressure and duration.
  - Pressure recording charts or other record of pressure readings.
  - Elevation variations, if significant.
  - Leaks and failures noted and disposition.

A record shall be maintained of each test required by 192.509,192.511, and 192.513 for at least 5 years

## PURGING (192.515, .629)

1. Mains must be purged before being put into service. Purging involves the removal of air or gas from the main without creating a hazardous gas-air mixture. Testing medium must be disposed of in a manner that will minimize environmental damage.
2. When a main is being purged of air or gas, by the use of air to purge the gas and gas to purge the air; either the purging air or the purging gas must be introduced into one end in a moderately rapid and continuous flow.
3. If the air or gas used for purging cannot be supplied in sufficient quantities to prevent the formation of a hazardous mixture of gas and air, a slug of inert gas must be released into the main before the air or gas being used for purging.

# **ENERGY WEST** Gas Distribution Standards

SUBJECT <b>TRANSMISSION LINES</b>		EFFECTIVE DATE <b>October 24, 2005</b>	SECTION <b>14</b>			
REPLACES <b>All previous</b>	DATED:	REVIEW BY: <b>Ira Shaulis</b>	DATE: <b>7/01/09</b>	APPROVED BY: <b>See Revision Sheet.</b>	DATE:	PAGE NO. <b>17</b>

## EXTERNAL CORROSION CONTROL: MONITORING (192.465)

Each reverse current switch or diode and interference bond must be electrically checked for performance six times per calendar year not to exceed 2 ½ months. Each interference bond must be checked at least once each calendar year not exceeding 15 months. Interference bonds and diodes may be checked with a UEI Digital Multimeter (or equivalent) with diode test selection for diodes.

Electrical surveys must be completed on bare unprotected lines once every (3) years not to exceed 39 months to check for areas of active corrosion. Areas that are found during these surveys are to be cathodically protected.

## EXTERNAL CORROSION CONTROL: TEST STATIONS (192.469)

Each pipeline under cathodic protection must have test stations located along pipeline at intervals not to exceed 1 mile and at any known areas of active corrosion determined by electrical survey. Additional test stations can be located at line crossings and pipe ends. Distribution systems may use connected risers for test stations provided that they give adequate coverage of the pipe.

## RECORDS (192.517)

A record of each pressure test shall be entered on a Service Order, or other applicable document. If a record of the test is required under 192.505 or 192.507, the record must be retained for the useful life of the facility and contain the following:

- The operator's name, name of the employee making the test and name of any test company used.
- Test medium used.
- Test pressure and duration.
- Pressure recording charts or other record of pressure readings.
- Elevation variations, if significant.
- Leaks and failures noted and disposition.

A record shall be maintained for each test required by 192.509, 192.511, and 192.513 for at least 5 years.

# **ENERGY WEST** Gas Distribution Standards

SUBJECT <b>OPERATIONS AND MAINTENANCE</b>		EFFECTIVE DATE <b>November 28, 2006</b>	SECTION <b>12</b>			
REPLACES <b>All previous</b>	DATED:	REVIEW BY: <b>Ira Shaulis</b>	DATE: <b>7/01/09</b>	APPROVED BY: <b>See Revision Sheet.</b>	DATE:	PAGE NO. <b>32</b>

## QUALIFICATION PROGRAM (192.805)

Each division shall have and follow a written qualification program. The program shall include provisions to:

- (a) Identify covered tasks
- (b) Ensure through evaluation that individuals performing covered tasks are qualified
- (c) Allow individual that are not qualified pursuant to this subpart to perform a covered task if directed and observed by an individual that is qualified;
- (d) Evaluate an individual if the operator has reason to believe that the individual's performance of a covered task contributed to an incident as defined in Part 191;
- (e) Evaluate and individual if the operator has reason to believe that the individual is no longer qualified to perform a covered task;
- (f) Communicate changes that affect covered tasks to individuals performing those covered tasks;
- (g) Identify those covered tasks and the intervals at which evaluation of the individual's qualifications is needed;
- (h) After December 16, 2004, provide training, as appropriate, to ensure that individuals performing covered tasks have the necessary knowledge and skills to perform the tasks in a manner that ensures the safe operation of pipeline facilities; and
- (i) After December 16, 2004, notify the Administrator or a state agency participating under 49 U.S.C. Chapter 601 if the operator significantly modifies the program after the Administrator or state agency has verified that it complies with this section.

## RECORDKEEPING (192.807)

Each division shall maintain records that demonstrate compliance with this subpart.

- (a) Qualification records shall include;
  - (1) Identification of qualified individuals;
  - (2) Identification of the covered tasks the individual is qualified to perform;
  - (3) Dates of current qualification; and
  - (4) Qualification method or methods
- (b) Records supporting and individual's current qualification shall be maintained while the individual is performing the covered task. Records of prior qualification and records of individuals no longer performing covered tasks shall be retained for a period of 5 years.



## Gas Distribution Standards

SUBJECT	EFFECTIVE DATE	REV NO.
<b>Revisions</b>	July 1, 2009	1.15

Additions and/or revisions to the GDS are marked with a vertical line to the left of the text. Please keep this revision page in the front of your GDS Manual.

Manual holders who have provided copies of the Gas Distribution Standards to other employees are responsible for seeing that these revisions are properly distributed.

### FILING INSTRUCTIONS

Remove	Insert	Reason for Change
Remove 4.5% and 14.5% Nat. Gas and 2.15% and 9.60% Propane	Section 1 Page 9	Addition of 5 to 15% Natural Gas and 2 to 10% Propane add Specific Gravity of 1.6 Propane.
Remove # 3	Section 2 Page 5	Addition of 3408
Remove: #7 Requires a 60 psi. MAOP.	Section 3 Page 10	
Remove: #8 Requires a 60 psi. MAOP.	Section 3 Page 11	
Table 5.1	Section 5 Page 5	Addition: #2: Enough to allow easy placement of pipe in the trench.
Remove: #1,#2,#3 and #4.	Section 5 Page 15	Each tap made on a pipeline under pressure must be performed by a crew qualified to make hot taps.
Remove #10 Remove #12 E-7010G: E-RG60	Section 6 Page 3	Addition: #3: Produces a hoop stress of 20 percent or more of SMYS. Alternatively, welder may maintain qualifications but at intervals not exceeding 7 ½ months. Addition:#10 Each arc burn on steel pipe designed to be operated at a pressure that produces a hoop stress of 20 % or more of SMYS must be repaired or removed.
Removed Section 11 After A.P.I. 1104 19	Section 6 page 6	Revision Nondestructive Testing
	Section 7 page 11	Addition of PE 3408 Socket Fusion Chart
Removed Electrofusion chart for Uponor UAC 2000	Section 7 page 19	
Remove 4.5% and 14.5% Nat. Gas and 2.15% and 9.60% Propane.	Section 9 Page 6	Addition of 5 to 15% Natural Gas and 2 to 10 % Propane.
	Section 9 Page 13	Addition: Polyamide Pipe LEAK SURVEY
Test Points on System Map	Section 11 Page 14	Addition: Maintenance of test leads.



## Gas Distribution Standards

SUBJECT	EFFECTIVE DATE	REV NO.
<b>Revisions</b>	May 24, 2010	1.16

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### FILING INSTRUCTIONS

Remove	Insert	Reason for Change
Edition 19 <sup>th</sup> A.P.I. 1104	Section 6 Page 2,3,and 6	New Edition 20th of A.P.I. 1104 and ASME Boiler and Pressure Vessel Code 2004.
	Section 14 Page 2	Standards cover Transmission and Shoshone Line
	Section 14 Page 17	Addition of Records (192.517) to Transmission Section 14.
	Section 12 Page 32	Addition of Qualification Program and Recordkeeping. Section 12

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