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November 8, 2016

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

2016 Kenai, Mat-Su, Girdwood, Whittier and Homer PHMSA Audit

**RE: Notice of Amendment Response CPF 5-2016-0021M**

Mr. Hoidel,

In response to your letter to Mr. Jared Green dated October 6, 2016 and received on October 14, 2016, ENSTAR respectfully submits the following response.

On the basis of the inspection, PHMSA identified an alleged inadequacy in ENSTAR's procedures, as described below:

**Item 1**

*§192.605 Procedural manual for operations, maintenance, and emergencies.*

- (a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.*

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(b) *Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.*

(2) *Controlling corrosion in accordance with the operations and maintenance requirements of subpart I of this part.*

## **PHMSA Allegations**

*ENSTAR's SOP Corrosion Control Policy (SP 1505 Rev 19) for examination of the exposed pipe did not include procedures to investigate circumferentially and longitudinally beyond the exposed portion (by visual examination, indirect method, or both) to determine whether additional corrosion requiring remedial action exists in the vicinity of the exposed portion as required by 49 CFR, Part 192, Subpart I, § 192.459.*

## **ENSTAR's Actions Taken**

The concerns and recommendations PHMSA expressed during the integrated audit were taken into account and ENSTAR began revising its Standard Operating Procedures before the audit had concluded. On June 9, 2016, ENSTAR published a revision to SOP 1905 titled "Repair Procedures for Damages and Leaks on Transmission Pipelines" to include the recommendations by PHMSA. Below is an excerpt of SOP 1905, as revised:

### **Procedure:**

#### **I. General**

D. If external corrosion requiring remedial action is found the pipe shall be visually inspected beyond the area with corrosion, damage and/or coating defects until the pipe is free of corrosion, damage and/or coating defects

On June 6, 2016, ENSTAR also revised SOP 2160 titled "Repair Procedure for Damages and Leaks on Distribution Pipelines" to include the recommendations by PHMSA. Below is an excerpt of SOP 2160, as revised.

### **Procedure:**

#### **I. General**

B. If external corrosion requiring remedial action is found the pipe shall be visually inspected beyond the area with corrosion, damage and/or coating defects until the pipe is free of corrosion, damage and/or coating

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defects. Generally corroded distribution pipelines with a remaining wall thickness less than that required for the MAOP of the pipeline, or a remaining wall thickness less than 30 percent of the nominal wall thickness, must be replaced. However, corroded pipe may be repaired by a method that reliable engineering tests and analyses show can permanently restore the serviceability of the pipe.

We have included both SOP's in their entirety as attachments A and B.

Should you have any questions regarding our response, please feel free to call me at 907-334-7730 between 8:00 AM and 5:00 PM AST.

Sincerely  
ENSTAR Natural Gas Company



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Cc: Jared Green

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