

June 14, 2017

US Department of Transportation  
Pipeline and Hazardous Material Safety Administration  
Director of Western Region  
12300 W Dakota Ave., Suite 110  
Lakewood, CO 80228  
Attn: Mr. Chris Hoidal

05-15-17 A08:36 RCVD

Dear Mr. Hoidal:

Please consider this letter the response of Linde Gas North America LLC (Linde) to the Notice of Probable Violation (NOV) from your office dated May 24, 2017 (CPF 5-2017-6016). Linde has elected not to contest the five probable violations in the NOV, but provides the following explanation in support of its request that the civil penalty associated with Probable Violation #1 be waived or substantially reduced.

PHMSA Probable Violation #1

§195.452 Pipeline integrity management in high consequence areas.

Linde Response

Although Linde did not undertake a complete reassessment of the pipeline within the specified five-year interval (not to exceed 68 months), Linde did timely complete Close Interval Surveys in July of 2011 and December of 2016, and routinely and continually inspects the pipeline, including cathodic protection system evaluations, direct examinations and atmospheric and internal corrosion inspections. Through these measures, Linde is confident in the integrity of its pipeline.

Linde respectfully requests that PHMSA consider the following additional mitigating factors in further support of its request that the penalty be waived or substantially reduced: (1) this is the first civil penalty Linde has received from PHMSA; (2) there has been no detrimental impact to public safety from the probable violations; and (3) as set forth below, Linde has taken prompt action to ensure that there are no future violations.

PHMSA Probable Violation #2

§191.22 National Registry of Pipeline and LNG Operators

Linde Response

Since receiving the NOV, Linde filed appropriate paperwork to update the operator name and OPID change. The operator is now Linde North America, LLC, and the OPID is 31391.

Linde North America Inc.  
Main Office  
200 Somerset Corporate Blvd.  
Bridgewater, NJ 08807 USA  
Phone +1.800.232.4726  
<http://www.lindeus-engineering.com>

Houston Office  
12140 Wickchester Lane  
Suite 300  
Houston, TX 77042  
Phone +1.281.717.9090

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PHMSA Probable Violations #3, 4 and 5

§ 195.403 Emergency Response Training

§ 195.420 Valve maintenance

§ 195.583 What must I do to monitor atmospheric corrosion control?

Linde Response

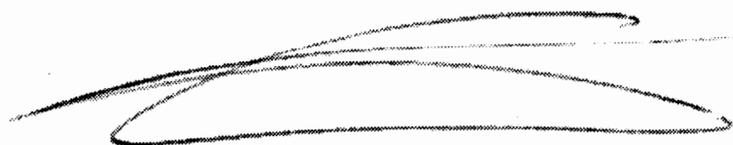
Linde has addressed the items identified in Probable Violations # 3, 4 and 5. In addition, with respect to all of the Probable Violations, Linde is developing an enterprise-wide, automated system that will track compliance with PHMSA pipeline requirements. This system will facilitate scheduling, tracking and reporting to PHMSA, to ensure that the violations do not occur again.

Summary

All aspects of the NOV have been, or will be, addressed within the specified time frames in the NOV, including a complete reassessment of Linde's pipeline within 120 days of receipt of the NOV, in accordance with Title 49, CFR section 195.452(c). As set forth above, Linde respectfully requests that PHMSA take into consideration Linde's actions both before and after receipt of the NOV, as well as the other mitigating factors, and asks that the proposed civil penalty in connection with Probable Violation # 1 be waived or substantially reduced.

Linde is committed to the safe operations of our facilities and pipelines to ensure there are no impacts to the public, Linde's employees or the environment.

Regards,



Andy Gutacker  
Head of Onsite Bulk & US Onsite Production