



August 16, 2022

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

Subject: CPF 5-2022-010-NOA

Dear Mr. Hubbard:

We received your Notice of Amendment, CPF 5-2022-010-NOA, on July 18th, 2022. This letter is our 30-day response to the Notice of Amendment (NOA). Interior Gas Utility (IGU) is contesting both items in this NOA.

1. The notice refers to NFPA 59A 6.3.4.1. IGU storage sites fall under chapter 10 of NFPA 59A as each LNG container at Storage Site 1 and 4 is less than 100,000 gallons and the aggregate storage capacity at each of those sites is less than 280,000 gallons. Nevertheless, Section 10.11 has similar language for piping installation in accordance with ASME B31.3.

The construction contractor for the project was provided with the piping specifications (Attachment 1) for carbon steel (C1.5) and stainless steel (S1.5) piping. The welding subcontractor, Udelhoven Oilfield System Services, Inc. (UOSS), has their own Welding Procedure Specifications (WPS) that their welders are qualified on, see Attachment 2 for a sample of the WPSs used during this construction project. A welder is required to use an approved WPS prepared by their company and with their company letterhead on it. Therefore, IGU cannot specify which WPS to use as IGU will hire different welding companies in the future and the UOSS WPS would not apply to them. UOSS was instructed on which piping specification to follow based on the mechanical drawings. The piping specification gives the pipe material and thickness. UOSS then used their most appropriate WPS to meet the piping specification. The WPS is selected based on, among other things, the material thickness, the base metal, and the position of joint. UOSS recorded on the bubble maps which procedure was used for which welds. For

an example, see Attachment 3. In this example, the pipe was specification S1.5 (as specified on drawing M702) and was welded using WPS UOSS-304 Rev 1. This WPS can be found in Attachment 2 on page 10.

2. The notice refers to the cooldown and startup procedure for the distribution system. The procedure for gasifying the North Pole distribution system was both effective and safe. PHMSA did not provide a copy of the procedure in question with the Notice of Amendment that “had illegible sections with missing verbiage and data,” but a copy of the procedure IGU used on February 16th through the 19th, 2021, and the records of gasifying, can be found in Attachment 4. Please note that gasification occurred after the time of the inspection, so it is possible that typos and other problems with the procedure were corrected before gasification.

Following initial construction of the North Pole Distribution system in 2015, the system was divided into pressure zones and the air in the system was displaced with nitrogen. The pressure in each zone was monitored until the time of gasification. After the construction of LNG Storage Site 4, each pressure zone was gasified with methane until at least 90% methane concentration (NOT 90% LFL) was detected at the vent. At no time was there ever a combustible mixture of gas and air inside the distribution system.

Following your review of our explanations in this letter, please feel free to contact us to discuss any further concerns.

Sincerely,



Mark Rockwell
Director of Operations
Interior Gas Utility
2525 Phillips Field Rd.
Fairbanks, AK 99709