



CITY OF DANVILLE, VIRGINIA
Utilities Department

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January 10, 2013

RECEIVED JAN 15 2013 *file*

Byron Coy, Director, Eastern Region
Pipeline & Hazardous Materials Safety Administration
U. S. Department of Transportation
820 Bear Tavern Road, Suite 103
West Trenton, New Jersey 08628

VIA CERTIFIED MAIL

RE: CFP 1-2012-0006

Dear Mr. Coy:

We have received your Notice of Probable Violation Proposed Compliance Order and Proposed Civil Penalty, dated December 13, 2012, and respectfully request a hearing to contest allegations relating to the proposed violations and civil penalties stated in items 1 and 2. We do not wish to contest the Compliance Order.

In response to the Notice of Probable Violation, the City of Danville, Virginia provides the following:

- 1. § 192.479 Atmospheric corrosion control: General.**
(b) Coating material must be suitable for the prevention of atmospheric corrosion

The City failed on one (1) occasion to coat a pipeline with a material that is suitable for the prevention of atmospheric corrosion.

The VA SCC inspectors observed and photographed an exposed main under bridges at Piedmont Drive and the Sandy River with areas of atmospheric corrosion. According to a City representative, only a primer coat was installed on the surface of the exposed

pipng, which is insufficient to protect the exposed main from atmospheric corrosion.

Danville's response: The Virginia SCC inspector observed one section of this pipeline from ground level, which had the appearance of light rust. After receiving a Notice of Investigation from the Virginia SCC, we performed a close inspection, and found only rust-colored tarnish on this section of pipe. In the spirit of cooperation, this area was sanded of all coating to expose bare pipe and found no damage to the pipeline and there was no loss of metal (see photo 1). That section was then recoated using an epoxy coating (see photo 2). We take exception to the allegation that the City failed to coat the pipeline with a material that is suitable for the prevention of atmospheric corrosion.

2. § 192.707 Line marker for mains and transmission lines
(c) *Pipelines aboveground.* Line markers must be placed and maintained along each section of a main and transmission line that is located aboveground in an area accessible to the public.

The City failed to install pipeline markers near a main that was accessible to the public. The City failed on three (3) occasions to have a pipeline marker on an above ground main that is accessible to the public at Pumpkin Creek Drive at the Pumpkin Creek Bridge, at the London Bridge Drive over the Pumpkin Creek and at the telemetry transmitter on London Bridge Drive.

The VA SCC inspectors observed and photographed an exposed main under bridges at the above locations, and at a take-off line connected to a main and a telemeter transmitter, and found no warning or Company identification markers as required by the regulation.

Danville's response: The area under the bridges could possibly be considered as accessible to the public; however, the pipeline is not accessible. The pipeline on the Pumpkin Creek Lane Bridge is at its lowest point, 129 inches above ground level, and the pipeline on the London Bridge Drive Bridge is at its lowest point, 124 inches above ground level.

192.707 pertains to line markers for mains and transmission lines. The line serving the telemetry transmitter on London Bridge Drive is neither a main, nor a transmission line.

As stated above, this line is referred to as a take-off line. We cannot determine the definition of take-off line using Pipeline Safety Regulations Part 192. However, upon receipt of a notice of investigation from the VA SCC, and in the spirit of

cooperation, pipeline markers were installed at these locations (see photos 3, 4 and 5).

In response to the Proposed Compliance Order the City of Danville, Virginia provides the following:

1. In regard to Item Number 1 of the Notice, the City failed to coat a pipeline with a material that is suitable for the prevention of atmospheric corrosion on an exposed main under bridges at Piedmont Drive and the Sandy River. The City must remove the existing coating/primer, clean the pipeline surface, and apply a coating suitable for the prevention of atmospheric corrosion, in accordance with coating manufacturer's procedures.

Danville's response: On or about June 1, 2011, we removed the existing coating, cleaned the pipeline surface, and applied an epoxy coating to the section of pipeline indicated by the VA SCC inspector, at that time, as needing attention; however, we agree to perform the same on the remainder of pipeline on the bridge within 90 days of receipt of the final notice.

2. In regard to Item Number 2 of the Notice, the City failed to install pipeline markers near an above ground main that was accessible to the public at Pumpkin Creek Drive at the Pumpkin Creek Bridge, at the London Bridge Drive over Pumpkin Creek, and at the telemetry transmitter on London Bridge Drive. The City must install and maintain line markers along each section of a main and feeder line that is above ground in the area accessible to the public.

Danville's response: Pipeline markers were installed on or about July 1, 2011.

3. § 192.161 Supports and anchors.

(b) Each exposed pipeline must have enough supports or anchors to protect the exposed pipe joints from the maximum end force caused by internal pressure and any additional forces caused by temperature expansion or contraction or by the weight of the pipe and its contents.

The City failed on one (1) occasion to properly install supports under a section of exposed cast iron main located under the bridge at Pumpkin Creek and London Bridge Drive. Several of the installed supports were not in contact with the cast iron main, and did not

provide support to protect the exposed pipe joints from the weight of the cast iron pipe and its contents.

The VA SCC inspectors observed and photographed the section of the main referenced above.

Danville's response: Upon finding this situation, along with the VA SCC inspector, the supports were immediately adjusted in order to provide full contact support to the pipeline.

4. § 192.199 Requirements for design of pressure relief and limiting devices.

(h) Except for a valve that will isolate the system under protection from its source of pressure, be designed to prevent unauthorized operation of any stop valve that will make the pressure relief valve or pressure limiting device inoperative.

The City failed to install pipeline locks on valves that could allow the monitor regulator to be by-passed. The City failed on two (2) occasions to prevent unauthorized operation of a valve that will make a pressure limiting device (monitor regulator) inoperable at the Southland Regulator and Craighead Rd. (Farmers Market) Regulator Stations by not having a by-pass run valve locked and by not having the control line valve handles removed.

The VA SCC inspectors observed and photographed regulator sets at the above mentioned locations with the monitor regulator by-pass valve unlocked. The handles to the regulator control lines were removed but the valves were unlocked in an unfenced area.

Danville's response: Upon receipt of a notice of investigation from the VA SCC, locks were installed.

5. § 192.707 Line markers for mains and transmission lines.

(d) *Marker warning.* The following must be written legibly on a background of sharply contrasting color on each line marker:

(1) The word "Warning," or "Danger" followed by the words "Gas (or name of gas transported) Pipeline" all of which, except for markers in heavily developed urban areas, must be in letters at least 1 inch (23 millimeters) high with 1/4inch (6.4 millimeters) stroke.

The City failed to install pipeline markers that meet the requirements of the code. The City failed on two (2) occasions to have pipeline markers that met the requirements of this code. The pipeline markers did not have the word "Warning", "Caution" or "Danger" and did not have the correct letter size at Sandy River Regulator Station and the Southland Drive Regulator Station.

The VA SCC observed and photographed regulator stations at the above mentioned locations that did not have adequate markers with the correct letter size and did not have the word "Warning", "Caution" or "Danger" as stated in the code.

Danville's response: Upon receipt of the Notice of Investigation from the VA SCC, the signs were replaced using the correct wording and letter size.

6. § 192.805 Qualification program.

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

(a) Identify covered tasks;

The City failed on one (1) occasion to adequately/fully identify, as a covered task, the maintenance and calibration of telemetering equipment (use of an electrical or pneumatic apparatus for indication, recording or integrating the values of a variable quantity, and for transmitting the data to a distant point). The equipment is used to monitor/transmit pipeline pressure readings in the pipeline system as stated in the § 192.741 requirement.

PHMSA Eastern Region believes the maintenance of a telemeter meets the four part requirements of a covered task as stated in § 192.801 (b). Transducers are a "pipeline facility" as defined in § 192.3. § 192.741 requires charts or telemetry on systems supplied by more than one district regulator station and requires the investigation of abnormally high or low pressures when indicated. Accurate readings are required to ensure the pipeline was not over pressured during abnormally high pressure situations. Over pressuring the system could affect the integrity of the pipeline.

Danville's response: This item has been previously addressed in our response to the Notice of Amendment CFP 1-2012-0005M, where we added Installation, Repair, and Calibration of Telemetering Equipment to our list of covered tasks.

In response to the Civil Penalty for which we request a hearing:

§ 192.479 Atmospheric corrosion control: General.

(b) Coating material must be suitable for the prevention of atmospheric corrosion

The City failed on one (1) occasion to coat a pipeline with a material that is suitable for the prevention of atmospheric corrosion.

The VA SCC inspectors observed and photographed an exposed main under bridges at Piedmont Drive and the Sandy River with areas of atmospheric corrosion. According to a City representative, only a primer coat was installed on the surface of the exposed piping, which is insufficient to protect the exposed main from atmospheric corrosion.

Danville's response: The Virginia SCC inspector observed one section of this pipeline from ground level approximately 50 feet away, using binoculars, which had the appearance of light rust and stated that according to a City representative, only a primer coating was installed on the surface of the exposed piping, which is insufficient to protect the exposed main from atmospheric corrosion.

After questioning several staff we can find no one that informed the inspector that only primer was used. We had two NACE Certified Corrosion Technicians perform a close inspection and found only rust-colored tarnish on the pipe. We have also collected samples of the pipe coating and sent it to a laboratory for analysis. We take exception to the allegation that the City failed to coat the pipeline with a material that is suitable for the prevention of atmospheric corrosion. To add additional protection against corrosion, this pipeline is also under cathodic protection.

§ 192.707 Line marker for mains and transmission lines

(c) Pipelines aboveground. Line markers must be placed and maintained along each section of a main and transmission line that is located aboveground in an area accessible to the public.

The City failed to install pipeline markers near a main that was accessible to the public. The City failed on three (3) occasions to have a pipeline marker on an above ground main that is accessible to the public at Pumpkin Creek Drive at the Pumpkin Creek Bridge, at the London Bridge Drive over the Pumpkin Creek and at the telemetry transmitter on London Bridge Drive.

The VA SCC inspectors observed and photographed an exposed main under bridges at the above locations, and at a take-off line connected to a main and a telemeter transmitter, and found no warning or Company identification markers as required by the regulation.

Danville's response: The area under the bridge could possibly be considered as accessible to the public; however, the pipeline is not accessible. The pipeline on the Pumpkin Creek Lane Bridge is at its lowest point, 129 inches above ground level, and the pipeline on the London Bridge Drive Bridge is at its lowest point, 124 inches above ground level.

192.707 pertains to line markers for mains and transmission lines. The line serving the telemetry transmitter on London Bridge Drive is neither a main, nor a transmission line.

Stated above it is referred to as a take-off line. We cannot determine the definition of take-off line using Pipeline Safety Regulations Part 192.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. Harr', is written over the printed name.

James S. Harr
Deputy Director of Utilities

Cc: Joe King, City Manager
Clarke Whitfield, City Attorney
Steve Saum, Director of Utilities
Allen Wiles, Water & Gas Chief Engineer