Ferrellgas

October 6, 2014

Mr. Wayne T. Lemoi
233 Peachtree Street Ste. 600
Atlanta, GA 30303

Dear Mr. Lemoi:
This letter is in response to CPF 2-2014-0015M, a Notice of Amendment (NOA) that is dated September 4, 2014. The pages attached describe revisions which are necessary to address all items listed in the NOA. Please be advised that our normal revision cycle takes place in June of each year, therefore the changes outlined here will take effect in June 2015.

Thank you,

Rufus Youngblood
Ferrellgas Director Safety
One Liberty Plaza
Liberty, MO 64068
816-792-7817

General Information (continued)

Fire safety analysis	Prepare a fire safety analysis (Incident Prevention Review) meeting the requirements of NFPA 58 (2004~~1~~) 3.10.2.2 and the local Authority Having Jurisdiction for all bulk storage installations of 4,001 aggregate gallons or greater. • File completed fire safety analysis in the Jurisdictional System File.
Pipeline safety standards	Maintain a copy of the most current Federal Pipeline Safety Standards, 49CFR 191 and 192 available either from your state Office of Pipeline Safety or the federal DOT. • Access to the PHMSA website http://ops.dot.gov/ will be considered as meeting this requirement.
Responsibility [192.605(b)(8)]	Field Management is responsible for the operation of pipeline systems. This includes ensuring periodic review of work performed by Employees to determine the effectiveness and adequacy of procedures, and advising the Safety Department when deficiencies are found. Field Management is responsible for contacting the Liberty Safety Department for interpretations or clarification of any regulations or definitions, i.e., whether a system is jurisdictional or if a particular part of a system is a business district or if a new system is acquired.
Equipment included	Pipeline distribution systems include vaporizers (if used), regulators, piping, valves, meters, and associated equipment up to the outlet of the vapor meter or the outlet of the second stage regulator (in non-metered systems). • Inclusion of tanks as part of the pipeline distribution system will be at the discretion of the Authority Having Jurisdiction.
Retroactivity	Changes made to installation or equipment specifications in this Operations and Maintenance manual are not retroactive. Parts 191 & 192 of Title 49 of the Code of Federal Regulations; NFPA 58; and all State and Local codes in effect at the time of installation will govern installations and equipment in operation at the time of publication.
Variances	Variances to this Operations and Maintenance Manual may be made in consultation with the Safety Department and must be acceptable to the Authority Having Jurisdiction. All variances must be in writing and posted in the Site-Specific Operations and Maintenance manual(s).

Comment [RY1]: Revised throughout the document to address NOA item # 2

Incident Reports

Federal Incident Reports [191.5]

Report incidents meeting the following criteria to the National Response Center at 1-800-424-8802 at the earliest possible moment, **but not later than two hours after receiving notification of the event.**

- A release of LP gas from the system causing any of the following and:
  - A death or personal injury requiring hospitalization or,
  - Estimated property ~~D~~damage, including loos to the operator and others, ~~including the cost of the lost LP gas~~ of $50,000 or greater.
  - Shutdown of a liquefied natural gas (LNG) facility.
  - An event that is significant in the judgment of the operator, even though it was not described above.

Comment [RY2]: Revised to address NOA item # 1

What is to be included in the report?

Use the following checklist to ensure you include the required information in your telephone report:

	Required item
4	Name and telephone number of the operator of the system
4	Name and telephone number of the individual reporting the incident.
4	Location of the incident (city, county, state, and street address).
4	Day and time the incident occurred.
4	Number of fatalities and personal injuries, if any.
4	All other significant facts that are known by the operator relevant to the cause of the incident or extent of the damages.

Safety Related Condition Reports

Federal Reporting Requirements [191.23]

File a written report for certain safety related conditions with the Federal Office of Pipeline Safety within 5 working days from the time the condition is discovered or reported to the operator.

What safety related conditions are required to be reported? [192.25]

Submit written reports using the Safety Related Condition Report found in Forms Appendix for any incident involving:

- Damage to the pipeline by earthquakes, landslides, or floods.
- Any malfunction causing the pipeline to rise above its maximum allowable operating pressure ~~of the pipeline~~ (including pressure buildup allowed for operation of relief devices).
- A leak that is considered an emergency and is not repaired within five days of determination.
- Repairs of corrosion or pitting on a coated, cathodically protected pipeline.

Comment [RY3]: We believe that this section already covers the material for NOA item # 7. We have made one small revision.

What safety related condition are NOT required to be reported? [191.23(b)(4)]

No reports are required for the following conditions:

- Any condition occurring on a Customer owned service line.
- A condition resulting in an incident as described in the definitions section of this manual.
- A condition on a pipeline more than 220 yards from any building or outdoor place of assembly, unless it is within the right-of-way of an active railroad, paved road, or highway.
- A condition repaired or corrected before the report is required to be filed. **Exception:** Repairs of corrosion or pitting on a coated, cathodically protected pipeline must be reported.

Where to file reports

Reports may be transmitted by facsimile at (202) 366-7128.

State Safety Related Condition Reporting Requirements

File a written report with the appropriate State agency as required by the laws in the state in which the pipeline is located.

- Use the same reporting form as for federal reporting, unless otherwise specified.

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Preventing Accidental Ignition of Gas

Purging [192.751]	Steps must be taken to prevent accidental ignition if venting gas to air while purging lines.
Warning Signs	Post these warning signs to prevent accidental ignition: "No Smoking" "Propane" "Authorized Personnel Only"
Fire extinguishers	Provide at least one 18/20 pound type A: B:C dry chemical fire extinguisher where propane is being released or flared.
Ignition source control	Eliminate ignition sources, i.e., smoking, open flames, spark producing electrical equipment, within 10 feet of any place where gas may be released during maintenance/venting procedures. • Reduce the hazards from ESD (Static Electricity) when venting propane from plastic lines by following one of these, or equivalent, methods: o Burn the escaping vapors through a torch with a pilot light. o Vent the escaping vapors through a section of grounded metallic pipe. o Vent the escaping vapors through wet burlap or a water seal burner.
Purging procedures	When purging lines follow the procedures in Chapter 7.30 of the Safety and Technical Support section of the Ferrell Way.
Flaring procedures	When flaring propane from lines or containers, follow the procedures in chapters 3.26 through 3.28 of the Safety and Technical Support section of the Ferrell Way.

Comment [RY4]: Revised to address NOA item # 10

Odorization

Purpose [192.625] Propane gas has no odor when produced. An odorant (usually ethyl mercaptan) is added to give the vapor a distinctive smell, detectable down to one-fifth of the lower explosive limit).

~~**Master meter system requirements [191.3] [192.625(f)(1)(2)]**~~

~~Most Ferrellgas operated systems meet the Federal requirements of Master Meter Systems, allowing the bill of lading verification of odorant and sniff test to meet this requirement unless other testing requirements are imposed by State Codes and the Authority Having Jurisdiction.~~

- ~~Conduct tests at the extremities of the system.~~

Verification of odorant [NFPA 58 (2004~~8~~) 4.2~~14.4.5~~]

Propane delivered to distributions systems by highway transport:

- Drivers delivering propane by highway transport must verify by their signature on the bill of lading that each load delivered has been odorized and they have sniffed the propane.
- Maintain a copy of all bills of lading for product delivered by highway transport directly to distribution systems in the Jurisdictional System File.
- Propane supplied to distribution systems by bobtail:
- Employees at Retail Locations must sniff the propane in the bulk plant storage after transport deliveries to verify the propane is odorized.
- If propane is received by rail, Retail Location Employees must sniff the propane in the rail car before off-loading to verify the propane is odorized.
- The Employee must sign a Propane Odorization Sticker (OPR-1031) and stick it on the Bill of Lading. Retain bills of lading in the Retail Location files.

- Odorization levels of gas in the system must be verified periodically according to a schedule and a method approved by the State Office of Pipeline Safety or other Authority Having Jurisdiction.
- NFPA 58 requires odor verification by sniff testing.
- Using an instrument capable of determining the percentage of gas in air, verify the odorant of the gas in the system based on the frequency approved by the Authority Having Jurisdiction.
- Specify the method and frequency of odorization surveys in the Ferrellgas Site-Specific O&M Manual.

Comment [RY5]: Revised to address NOA item # 9

Corrosion Testing Underground Tanks and Piping

Purpose [192.451 – .491]	Underground steel pipe must be protected against corrosion and the corrosion protection must be periodically tested. Perform tank or pipe-to-soil potential tests on cathodically protected iron or steel pipelines once each calendar year, not to exceed 15 months, or other interval acceptable to the authority having jurisdiction. Approval must be in writing.
Testing	Testing of cathodic protection systems may be conducted by Ferrellgas Employees, if qualified, or an outside contractor.
Tank/pipe-to-soil test criteria	One of three criteria may be used when performing the tank/pipe-to-soil potential test using a copper/copper-sulfate reference cell. • (–) 850 millivolts • 100 millivolt shift – instant off reading
Tank or pipe-to-soil test points	• A minimum of 3 places above underground tanks. • Over the pipe at 20 foot intervals. • At each service riser. • At either side of road crossings. • Where aboveground piping enters or underground piping exits the ground. • Either side of insulating flanges/dielectric unions (identical readings indicate a short).
Time frame for corrections of corrosion problems [192.465(d)]	Correct any deficiencies found according to this timetable: • Low tank/pipe-to-soil readings – before the next inspection. • Shorted casings – 6 months. • Rectifier problems (impressed current systems only) – 2-1/2 months.
Internal corrosion control [192.475]	~~§192.475 does not apply. Propane is non-corrosive by ASTM specification D-1835 and ASTM D-1838 test procedures.~~ • Propane is non-corrosive by ASTM specification D-1835 and ASTM D-1838 test procedures. • However, when any pipe is removed from a pipeline for any reason, the internal surface shall be inspected for evidence of corrosion. If internal corrosion is found--- • (1) The adjacent pipe shall be investigated to determine the extent of internal corrosion and • (2) Replace any pipe where the wall thickness has degraded below the point that is required to maintain MAOP, or has a remaining wall thickness less than 30 percent of the nominal wall thickness.

Comment [RY6]: Revised to address NOA item # 6

Public Awareness (continued)

Distribution of public awareness materials to property owners [192.616 (j)]

Twice each calendar year, but not to exceed 7½ months, provide the following public awareness materials to property owners or property management companies of facilities where Ferrellgas is the operator of a jurisdictional pipeline distribution system.

Document the date in the Review and Inspection record form in the Site-Specific O&M Manual and place a copy of the letter in the Jurisdictional System File.

- The Ferrellgas Customer Awareness Letter (download from the Ferrellgas Intranet (The Point).
- The Ferrellgas Customer Awareness and Damage Prevention brochure (FG 9832).
- Document the recipients of these items and place the list in the O&M file.

Comment [RY7]: Revised to address NOA item # 8

Text of 19 CFR192.616

(a) Except for an operator of a master meter or petroleum gas system covered under paragraph (j) of this section, each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see § 192.7).

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(h) * * * The operator of a master meter or petroleum gas system covered under paragraph (j) of this section must complete development of its written procedure by June 13, 2008. * * *

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(j) Unless the operator transports gas as a primary activity, the operator of a master meter or petroleum gas system is not required to develop a public awareness program as prescribed in paragraphs (a) through (g) of this section. Instead the operator must develop and implement a written procedure to provide its customers public awareness messages twice annually. If the master meter or petroleum gas system is located on property the operator does not control, the operator must provide similar messages twice annually to persons controlling the property.

The public awareness message must include:

(1) A description of the purpose and reliability of the pipeline;

(2) An overview of the hazards of the pipeline and prevention measures used;

(3) Information about damage prevention;

(4) How to recognize and respond to a leak; and

(5) How to get additional information.

Issued in Washington, DC, on December 6, 2007.

Plastic Pipe: Qualifying persons to make joints [192.281]	Joints in plastic pipe may only be made by trained or experienced personsthat have demonstrated the skill necasary to make a specimen joint from pipe sections joined according to the procedure, and complies with the following: (1) Visually examined during and after assembly or joining and found to have the same appearance as a joint or photographs of a joint that is acceptable under the procedure; and (2) In the case of a heat fusion, solvent cement, or adhesive joint: (i) Tested under any one of the test methods listed under §192.283(a) applicable to the type of joint and material being tested; (ii) Examined by ultrasonic inspection and found not to contain flaws that would cause failure; or (iii) Cut into at least 3 longitudinal straps, each of which is: (A) Visually examined and found not to contain voids or discontinuities on the cut surfaces of the joint area; and (B) Deformed by bending, torque, or impact, and if failure occurs, it must not initiate in the joint area.
Disqualification of persons making joints [192.285(C)]	Persons making joints in plastic pipe must be requalified if~~:~~, in a 12 month period: • The person has not made any joints of the type to be made or has not been qualified or re-qualified on these type joints~~. in a 12 month period.~~ • ~~Failure of three percent or more of joints inspected~~ Has 3 joints or 3 percent of joints made , whichever is greater, under that procedure which are found unacceptable.

Comment [RY8]: Revised to address NOA item # 3&4

Comment [RY9]: Revised to address NOA item # 5