



Via Email

September 10, 2024

Mr. Bryan Lethcoe
Director, Southwest Region,
Office of Pipeline Safety
USDOT, PHMSA
8701 South Gessner Rd,
Suite 630,
Houston, TX, 77074

Re: CPF 4-2024-035-WL
Distrigas of Massachusetts LLC
Reply to PHMSA Warning Letter

Dear Bryan:

This letter is in response to the Warning Letter Distrigas of Massachusetts LLC (DOMAC) received on August 16, 2024, in reference to the PHMSA standard inspection that was performed at the Everett LNG Terminal on March 20-24, 2023, and June 21-22, 2023.

In response to the Warning Letter, and in furtherance of DOMAC's continuous efforts to prioritize safe operations, DOMAC provides this update on actions it has taken to address concerns raised by PHMSA. These actions are not an admission that any practice or procedure did not comply with regulatory requirements, but rather were made consistent with DOMAC's ongoing commitment to working with PHMSA in furtherance of pipeline safety.

This letter does not contain Controlled Unclassified Information and DOMAC requests that it be placed in the public record.

Please contact the undersigned if you have any questions or concerns.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "E. Partos", written over a horizontal line.

Eamon Partos, PE
Principal Compliance Specialist

On behalf of:
Distrigas of Massachusetts LLC

Distrigas of Massachusetts LLC
18 Rover Street
Everett, MA 02149
617-381-8500

Introduction

- On March 20-24, 2023 and June 20-21, 2023, PHMSA performed a standard inspection of DOMAC's Everett LNG Terminal.
- On August 9, 2023, DOMAC sent PHMSA a letter describing completed and planned actions that DOMAC was taking to improve practices and procedures in response to the inspection.
- On September 18, 2023, DOMAC received Post-Inspection Written Preliminary Findings from PHMSA.
- On October 25, 2023, DOMAC sent PHMSA a letter in response to the Post-Inspection Written Preliminary Findings which included additional completed and planned actions that DOMAC was taking.
- On August 16, 2024, DOMAC received from PHMSA a Warning Letter, CPF 4-2024-035-WL. A portion of that letter is reproduced below.

PHMSA Warning Letter CPF 4-2024-035-WL:

As a result of the inspection, it is alleged that Distrigas has committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (C.F.R.). The item inspected and the probable violation is:

1. § 193.2637 Remedial measures.

Prompt corrective or remedial action must be taken whenever an operator learns by inspection or otherwise that atmospheric, external, or internal corrosion is not controlled as required by this subpart.

Distrigas failed to take prompt corrective or remedial action whenever it learned by inspection or otherwise that atmospheric, external, or internal corrosion is not controlled as required by Part 193, subpart G in accordance with § 193.2637. Specifically, Distrigas failed to take prompt corrective or remedial action when it learned of atmospheric corrosion that was no longer controlled for a pipe support component in area 900 at its LNG facility.

Distrigas provided a 2022 atmospheric corrosion inspection report which identified the pipe support as grade 4, indicating severe corrosion. Distrigas's procedure, *Atmospheric Corrosion Control Inspection, EMT-109M*, (Rev. F; June, 9, 2023), requires replacement of equipment with grade 4 corrosion within six (6) months, not to exceed one year.

Following PHMSA's inspection in March 2023, and prior to PHMSA's inspection in June 2023, Distrigas submitted revised atmospheric corrosion control procedures with a timeframe to remediate corrosion. Distrigas also submitted a schedule for the replacement of the pipe support component in area 900 at its LNG facility with grade 4 corrosion.

DOMAC Response:

The component identified by PHMSA supports a variety of wiring and galvanized conduits containing instrumentation and power wiring. The component design is poor and allows for

water accumulation.

DOMAC engaged an outside engineering firm to perform a design review and develop a solution. That effort is now completed, and a design package has been prepared. DOMAC anticipates that a contractor will be selected by the end of October, 2024. Execution is anticipated to begin with preliminary work in late 2024 such that the major, weather dependent work can be completed in early spring 2025. The new design will replace, not just the one component in question, but also a several additional supports of similar design along the same conduit run.

Because the design review took some time, DOMAC maintenance temporarily mitigated the corrosion by proactively replacing the component in-kind, as well as several additional supports of similar design along the same conduit run and in other areas of the plant.

DOMAC believes that taking these two parallel actions (temporary in-kind replacement and the pursuit of a complete design change) satisfies the requirement for prompt remedial action.

DOMAC believes that the actions described above were consistent with EMT-109M, Atmospheric Corrosion Control Inspection, Rev F. However, DOMAC has reviewed the procedure and taken the opportunity to make improvements. These improvements included improved clarity about time allowed to address a component requiring a complete design change and the consideration of temporary mitigations during an ongoing design change. The revised procedure (Rev G) was shared with PHMSA as an attachment to DOMAC's October 25, 2023 letter.