



OAHU GAS SERVICE

An AmeriGas Company

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March 17, 2011

Mr. Chris Hoidal
Director, Western Region
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
12300 W. Dakota Avenue, Suite 110
Lakewood, Co 80228

Re: CPF 5-2010-005 and CPF 5-2010-006M

Dear Mr. Hoidal:

Pursuant to the Notice of Probable Violation and Proposed Compliance Order and Notice of Amendment, AmeriGas dba Oahu Gas Service respectfully submits this response with attachments.

In reference to CPF 5-2010-005, Proposed Compliance Order, AmeriGas is not contesting the Compliance Order and have taken the steps in the Compliance Order as follows:

1. In regard to Item Number 1 of the Notice pertinent to the buried pipe at the Ewa Complex and Maile Center, AmeriGas must provide adequate cathodic protection in accordance with Section 192.463 (a) - External corrosion controls: Cathodic Protection.
 - Action Taken: Ewa Complex and Maile Center is no longer jurisdictional as customers have been separated from the system and are being serviced individually by dedicated tanks. Please see attached Work Orders specific to the actions taken in this regard.
2. In regard to Item Number 2 of the Notice pertaining to the 3-inch diameter pipe at the Westridge Complex, AmeriGas must maintain records of each corrosion control test, survey and inspection in accordance with Section 192.491 (a), (b) and (c) - Corrosion control records.

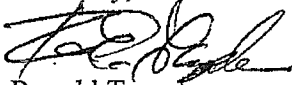
- Action Taken: The 3-inch diameter (buried steel) pipe at Westridge Complex has been replaced with 2-inch PE pipe. Please see attached Work Orders specific to actions taken in this regard.
3. In regard to Item Number 3 of the Notice pertaining to welding procedures, AmeriGas must establish written procedures for its steel pipelines in accordance with Section 192.225 (a) and (b) - Welding procedures.
- Action Taken: As part of normal business operations, AmeriGas maintains its Office of Pipeline Safety-Operations and Maintenance Manual. Included herein is the Section 5.0-Operating & Maintenance Plan, Paragraph 5.5(a)-Welding of Steel Pipelines (Sections 192.221-192.245 Subpart E).
4. In regard to Item Number 4 of the Notice pertaining to weld repairs, AmeriGas must establish weld repair procedures for its steel pipelines Section 192.245 - Repair or removal of defects.
- Action Taken: As part of normal business operations, AmeriGas maintains its Office of Pipeline Safety-Operations and Maintenance Manual. Included herein is the Section 5.0-Operating & Maintenance Plan, Paragraph 5.5(a)-Welding of Steel Pipelines (Sections 192.221-192.245 Subpart E).
5. Within 90 days from the receipt of the Final Order, AmeriGas must complete all items contained in this proposed compliance order.
- Action Taken: As provided herein, all items contained in this Proposed Compliance Order have been completed.
6. AmeriGas shall maintain documentation of the safety improvements costs associated with fulfilling this Compliance Order and submit the total to Chris Hoidal, Director, Western region Pipeline and Hazardous Materials Safety Administration. Costs shall be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analysis, and 2) total cost associated with replacement, additions and other charges to pipeline infrastructure.
- Action Taken: Per Category 1, AmeriGas maintains that there are no specific costs associated with the preparation/revision of plans, procedures, studies and analysis as Operations and Maintenance manuals and Operator Qualifications Procedures were preexistent and updated in the normal course of its business practice.
 - Action Taken: Per Category 2, AmeriGas submits a total value of \$11,605.38 for work associated with replacement, additions and other changes to the pipeline infrastructure.

In reference to CPF 5-2010-006M, Notice of Amendment, AmeriGas is not contesting the Notice and have taken the steps in the Notice as follows:

1. AmeriGas needs to provide the public awareness notice twice annually to persons controlling properties where AmeriGas has facilities. At the time of the inspection, AmeriGas was providing messages to customers and property owners once per year instead of twice annually. AmeriGas' written procedures required a public awareness messages be sent annually to its customers. Section 192.616(j) requires the written procedure to provide its customers public awareness messages twice annually. AmeriGas needs to revise its procedure accordingly.
 - Action Taken: As part of normal business operations, AmeriGas maintains its Office of Pipeline Safety-Operations and Maintenance Manual. Included herein is the Section 5.0-Operating & Maintenance Plan, Subsection 5.3(a)-Public Awareness Program (Section 192.616(j)), Paragraph (A).

If you should have any questions or require additional information/supportive materials in part or whole, i.e. AmeriGas O&M Manual, please contact the undersigned or Jean Konowalczyk, AmeriGas in-house Counsel.

Sincerely,



Ronald Templeman
General Manager, Hawaii
AmeriGas, dba Oahu Gas Service

RT:bnk

Enclosures (copy electronic format via email)

Via email

cc: Phillip Nguyen, Engineer, USDOT, PHMSA (w/enclosures)
Jean Konowalczyk, Counsel, AmeriGas (w/ enclosures)