



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

May 16, 2019

Mr. James Palkovic
Vice President, Operations - West
AmeriGas Propane, LP
460 N. Gulph Rd.
King of Prussia, PA 19406

CPF 5-2019-0017M

Dear Mr. Palkovic:

From November 5, 2018 to November 16, 2018, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected the plans and procedures for AmeriGas Propane LP's (AmeriGas) propane distribution system in Maui, Kona, and Oahu, Hawaii.

As a result of the inspection, PHMSA has identified apparent inadequacies found within AmeriGas' plans or procedures, as described below:

1. **§192.605 Procedural manual for operations, maintenance, and emergencies.**
 - (a) . . .
 - (b) ***Maintenance and normal operations.*** The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.
 - (1) . . .
 - (4) **Gathering of data needed for reporting incidents under Part 191 of this chapter in a timely and effective manner.**

AmeriGas' written plans are inadequate because the reporting requirements did not include a process for the immediate notice of certain incidents pursuant to 49 C.F.R. §191.5(b).¹ Specifically, AmeriGas' plan failed to include that notice to the National Response Center (NRC) can also be made electronically at <http://www.mrc.usg.mil>, and failed to set out what information needed to be reported to the NRC required by §191.5(b)(1) to (b)(5).

2. §192.273 General.

(a) ...

(b) Each joint must be made in accordance with written procedures that have been proven by test or experience to produce strong gastight joints.

AmeriGas' Operating and Maintenance (O&M) Manual – Construction of Mains is inadequate because it does not address joining plastic pipe by solvent cement or adhesive pursuant to §192.281(b) and §192.281(d). At the time of PHMSA inspection, AmeriGas stated that it does not use solvent cements and adhesives to join pipes; however, there is nothing in its written procedures noting that AmeriGas does not use these joining procedures.

3. §192.283 Plastic pipe: Qualifying joining procedures.

(a) ...

(c) A copy of each written procedure being used for joining plastic pipe must be available to the persons making and inspecting joints.

AmeriGas' O&M Manual – Construction of Mains is inadequate because it does not require that a copy of each written procedure being used for joining plastic pipe be available to the persons making and inspecting joints pursuant to §192.283(c).

4. §192.285 Plastic pipe: Qualifying persons to make joints.

(a) ...

(b) The specimen joint must be:

(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

¹ See 49 C.F.R. § 191.5 (requiring operators to timely notify the National Response Center of incidents.)

- (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.
- (c) ...
- (d) Each operator shall establish a method to determine that each person making joints in plastic pipelines in the operator's system is qualified in accordance with this section.

AmeriGas' O&M Manual – Construction of Mains is inadequate because it does not have a procedure that complies with the inspection and testing requirements set forth in §192.285(b), nor does it have a method to determine that each person making joints in plastic pipelines in the operator's system is qualified in accordance with §192.285(d).

5. §192.605 Procedural manual for operations, maintenance, and emergencies.

- (a) ...
- (b) **Maintenance and normal operations.** The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.
 - (1) ...
 - (3) Making construction records, maps, and operating history available to appropriate operating personnel.

AmeriGas' O&M Manual – General is inadequate because it did not have an explicit, implementable process for making construction records, maps, and operating history available to appropriate operating personnel.

6. §192.605 Procedural manual for operations, maintenance, and emergencies.

- (b) **Maintenance and normal operations.** The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.
 - (1) ...
 - (8) Periodically reviewing the work done by operator personnel to determine the effectiveness, and adequacy of the procedures used in normal operation and maintenance and modifying the procedures when deficiencies are found.

AmeriGas's O&M Manual – General is inadequate because it did not have an explicit, implementable process for how and when it will conduct periodic reviews of the work done by operator personnel to determine the effectiveness and adequacy of its procedures used in normal operation and maintenance, and how it will modify those procedures when deficiencies are found.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under §190.211. If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 60 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that AmeriGas maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Mr. Dustin Hubbard, Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2019-0017M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Dustin Hubbard
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*

cc: PHP-60 Compliance Registry
PHP-500 M. Garcia (#163602)