LETTER OF CONCERN

CERTIFIED - RETURN RECEIPT REQUESTED

September 11, 1998

Mr. Paul Bilek, President PRAXAIR, Incorporated 39 Old Ridgebury Road Danbury, Connecticut 06817-0001

Dear Mr. Bilek:

CPF No. 48112C

On February 10 and 12, 1998, a representative of the Southwest Region, Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code, conducted an onsite pipeline safety (OPS) inspection of PRAXAIR Incorporated at your Deer Park facility.

The review disclosed some items in the area of electrical isolation that is cause for concern. We hope you find this worthy of your attention.

Where casings are required, the casings should be electrically isolated from the carrier pipe, particularly uncoated casings because they act as an electrical current sink shunting protective current away from the carrier pipe, potentially lowering the protective potentials on the pipeline to unacceptable levels.

In the event a short casing is located, the operator may choose various alternative actions:

- (a) Identification of potential adverse corrosion conditions.
- (b) One or more specific test to establish whether a potential adverse condition exists.
- (c) An attempt must be made to correct the problem if it is practicable to do so.
- (d) If it is impracticable to correct the problem, fill the casing annular space with high dielectric casing filler or other suitable material.
- (e) If options (c) or (d) above are impractical and the risk to public safety is minimized by the location, condition of the pipe, risk of over pressure, and other environmental

factors, monitoring of the casing with leak detection equipment twice a year (not exceeding 7 $\frac{1}{2}$ months) may be performed.

- (f) Instrumented internal inspection type equipment may be used in lieu of the above options to evaluate the condition of the carrier pipe inside the casing, provided that if corrosion is found inside the casing a written procedure to evaluate and correct the adverse effects of the corrosion is implemented.
- (g) A time frame for analysis, decision and action adequate to prevent a condition that could adversely affect the safe operation of the pipeline must be specified in the procedure. The time frame must give consideration to the population density and environmental impact on the area that could potentially be affected by released product, the combustibility of hydrogen and the relative invisibility of burning hydrogen. It may also include considerations for such things as climatic conditions, availability of material and labor, and an estimate of a relative rate of detrimental corrosion.

We hope you will consider this area of concern and take action to further improve your present level of safety. Should you have any questions regarding this concern or other pipeline safety regulatory issues, please do not hesitate to call our office at the following number (713) 718-3746. Please refer to CPF No. 48112C in any correspondence/communication on this matter.

Sincerely,

R. M. Seeley Regional Director, Southwest Region