

LETTER OF CONCERN

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 10, 1998

Mr. Mendal Yoho
Senior Vice President
CNG Transmission Corporation
P.O. Box 2450
Clarksburg, WV 26302-2450

CPF No. 18103C

Dear Mr. Yoho:

On April 23, 1996, and October 10, 1996, representatives of the Office of Pipeline Safety (OPS), Eastern Region, pursuant to Chapter 601 of 49 United States Code, conducted on-site inspections of your company records and facilities in Leidy Storage Field and Oakford Storage Field, Pennsylvania. This was a part of a specialized inspection of transmission pipelines associated with underground storage fields. The inspection was limited to pipes that transport gas in and out of the storage fields.

Based on a review of your records, only one pipeline drip out of a total of 96 has been exposed and B-scanned for possible internal corrosion in March 1989. The scanning revealed that internal corrosion did not exceed more than 10% of wall penetration. No other drips have been exposed or inspected.

In the past few years there have been a number of failures in Appalachian Storage Fields caused by internal corrosion on drips that ruptured. In two cases the gas subsequently ignited, and there was a large amount of gas loss. We are aware that CNG has a treatment program to mitigate the effects of internal corrosion. However, we feel there is a need to further inspect pipeline drips for possible internal corrosion. Acceptable methods include ultra-sonic scanning or other non-destructive types.

For both of the above storage field pipeline systems, we recommend that you consider selecting a representative sample of pipeline drips located in low points or in deadhead locations. They should be evaluated for corrosion and corrosive agents. In addition, consideration should also be given to sampling drips in close proximity to human dwellings or where people gather. This should allow CNG to better determine the success of your internal corrosion prevention program. I am also enclosing a copy of our report "Specialized Inspection Report of Natural Gas Storage Fields", dated March 1998, for your information.

Please let us know what is your course of action. Your cooperation is appreciated.

Sincerely,

William H. Gute
Eastern Regional Director
Office of Pipeline Safety

Enclosure

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