

LETTER OF CONCERN

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 17, 1998

Mr. Walter Ferguson
Vice President, Pipeline Operations
NorAm Gas Transmission
Post Office Box 21734
Shreveport, Louisiana 71151

CPF No: 28106C

Dear Mr. Ferguson:

A representative of the Southern Region, Office of Pipeline Safety (OPS) reviewed your records for the Northern Region in Little Rock, Arkansas on 13-15 April, 1998 and visited your pipeline facilities in Arkansas on 1-5 and 8-11 June, 1998. The review disclosed some areas that are cause for concern. We hope you find these areas worthy of your attention.

Please consider the following:

1. Right of Way Patrolling and Clearance

NorAm Gas Transmission's (NGT) right of way (ROW) clearance program has not insured that the ROW can be clearly viewed by an observer from a patrol aircraft, which NGT now uses. At several locations the ROW, or ROW canopy, was overgrown to the extent that surface conditions could not be observed from the air. Specific locations are: a) line T at Deersaw Main Line Valve, b) line TM-1 take-off from line T, c) BT-1 and AM-22 at US-270 [Tigger Bay], d) BT-1-AS at AR-5/AR-7, e) lines JT-1 and JT-4 at line BT-14 tie-in, and f) line BM-20 at the Moreland Compressor Station.

2. Atmospheric Corrosion

Atmospheric corrosion ranging from surface rust to light pitting was found at several locations on NGT's pipeline facilities. Specific locations are: a) Malvern Town Border

1, b) Pine Bluff # 2 [4th Street railroad yard], c) Bryant Town Border, d) Truman M&R, e) Humphrey M&R, f) Rosebud Town Border # 1, and g) above ground valves at line JT-4 take-off from line JT-1.

3. **Protection of Valves from Tampering**

The relief valves were not locked on the Rosebud Number 1 Town Border.

4. **Regulator and Relief Valve Inspections**

The 1996 inspections were missed for the regulators at Metering and Regulating Station # 170609 and relief valves at the Malvern Compressor Station.

5. **Rectifier Monitoring**

Two (2) rectifiers on line JM-19 were checked only five (5) times in 1996.

6. **Line Markers**

All public road crossings were not marked with line markers in a class 3 location on line JM-23A in West Memphis, Arkansas.

We hope you will consider these areas of concern and take action to maintain and further improve your present level of safety. If we can answer any question or be of any help, please call us at (404) 562-3530.

Please refer to CPF 28106C in any correspondence or communication on this matter.

Sincerely,

Frederick A. Joyner
Director, Southern Region
Office of Pipeline Safety

cc: Compliance Officer, OPS Headquarters

Mike/sd/DPS-25-/8/10/98
FILE: CPF 28106W/NorAm Gas Transmission
P:\wpwin\sue\complian\warnltr\28106.wlr
cc: DPS-20.1, Regions, Mike