



Research and Special Programs Administration

JUN 28 2004

Mr. John W. Somerhalder, II President El Paso Energy Pipeline Group 1001 Louisiana Houston, TX 77002

RE: CPF No. 4-2003-1002M

Dear Mr. Somerhalder:

Enclosed is the Order Directing Amendment issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It withdraws one of the allegations of inadequate procedures and makes a finding of inadequate procedures but acknowledges that Respondent has corrected the inadequacies identified in the Notice Of Amendment. No further enforcement action is anticipated with respect to the matters in this case. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

James Reynolds

Pipeline Compliance Registry Office of Pipeline Safety

Enclosure

cc: Carlos Penia, El Paso Energy Pipeline Group
Patrick F. Carey, El Paso Energy Pipeline Group
Terry Fronterhouse, Arizona Corporation Commission

CERTIFIED MAIL RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION OFFICE OF PIPELINE SAFETY WASHINGTON, DC | 20590

In the Matter of)	
El Paso Energy Pipeline Group,))
	,)	CIT 110, 110.4 2005 1002M
Respondent.)	

ORDER DIRECTING AMENDMENT

On October through November 2002, pursuant to 49 U.S.C. § 60117, a representative of the Arizona Corporation Commission (ACC), as agent for the Office of Pipeline Safety (OPS) Southwest Region, conducted an on-site pipeline safety inspection of Respondent's facilities and records in Arizona. As a result of the inspection, the Director, Southwest Region, OPS, issued to Respondent, by letter dated March 11, 2003, a Notice of Amendment (NOA). In accordance with 49 C.F.R. §190.237, the NOA alleged inadequacies in Respondent's Operating, Maintenance and Emergencies (OM&E) procedures and proposed that Respondent amend its procedures.

Respondent responded to the NOA by letter dated, April 8, 2003 (Response). Respondent advised that it clarified wording in the procedures to more fully comply with §192.227(a) and to specifically reference Section 3 or 6 of API standard 1104 and Section IX of ASME Boiler and Pressure Vessel Code (ASME BPV Code) to comply with §192.605(a). However, Respondent contested the allegation that the procedures fail to meet the requirements of §192.229(c)(1) and requested a hearing.

The hearing was held on November 13, 2003 in Houston, TX. During the hearing, Respondent submitted its revised procedures. After the hearing, Respondent submitted a supplemental response dated December 16, 2003, in support of its position that the procedures meet the requirements of §§192.229(c)(1) and 192.605(a).

Section A of the NOA alleged inadequacies in Respondent's General Welding Procedures WM-020 (WM-020) and proposed to require amendment of Respondent's procedures to comply with §§192.605(a) and192.227(a), as the procedures do not reference the specific sections for testing welders in the API Standard 1104 or ASME BPV Code. The NOA also cited as inadequate and proposed to require amendment of the section of Respondent's WM-020 which reads "[i]t is strongly recommended that all welders be qualified as gas piping welders ...", as the procedures should require qualification and not recommend it.

In response, Respondent argued that the procedures are adequate, as they reference API in its entirety, thus incorporating all sections of the API recommended practice. Respondent further argued that the quote from its WM-020 is meant to address "non-gas piping welders" who have been qualified for welding pipe that is non-gas piping. Nevertheless, Respondent advised that it would revise its WM-020 to clarify the "non-gas piping welders" language and add language that reference the specific testing requirements in Section 3 or 6 of API standard 1104 and Section IX of ASME BPV Code. Respondent also submitted a copy of its amended WM-020 procedures to address the inadequacies cited in the NOA. The Southwest Region reviewed the revised procedures. Accordingly, based on the results of this review, I find that Respondent's original procedures as described in the NOA were inadequate, but that Respondent has corrected the inadequacies identified in the NOA. No need exists to issue an order directing amendment with respect to Section A.

Section B of the NOA alleged inadequacies in Respondent's General Welding Procedures and proposed to require amendment of Respondent's procedures to comply with §§192.605(a) and 192.229. The Notice alleges that Respondent's procedures allow a welder to weld after exceeding 6 months without having a weld tested as required by §192.229(c)(1) and in accordance with Section 3 or 6 of API Standard 1104.

In its response before and after the hearing, Respondent disputed the alleged inadequacy of its General Welding Procedures and argued that its welding manual makes no statement that would allow a welder to weld on gas piping without having been current with their welding qualification nor would Respondent accept welding performed for another company as acceptable documentation for meeting the 6 calendar month requirement. Respondent further argued that its Welding Manual meets or exceeds the stated requirements of Part 192 and that its Welding Manual incorporated parts of API 1104 and Section IX of ASME BPV Code, as it is in keeping with accepted industry standards for re-qualification of a welder who exceeds the 6 calendar month requirement, when a weld is completed, tested and found acceptable the welder's previous qualifications are restored.

The issue is the re-qualification¹ of a welder who exceeds 6 calendar months without having a weld tested and found acceptable. What is the process by which a welder's qualifications are restored if the 6 months have expired? How much time is permitted to elapse before the welder is required to "start over" by repeat the initial qualification² process, as if the welder had never welded before?

Respondent argued that lacking any prescriptive language in the applicable section of Part 192, or API 1104 about what should be done in this situation, it is allowed to adopt the process prescribed

¹ Requalification is the process a welder must follow to remain in or regain a "qualified to weld" status. Welders must demonstrate their competency and skills as a welder by performing a weld and having it tested and found acceptable under section 3 or 6 of API Standard 1104.

² Initial qualification is the approximately 18-month entry level education and training process that must be completed to demonstrate competency as a welder. The initial qualification process is for those who have never welded before, a novice.

by Section IX of ASME BPV Code, an accepted industry standards that forms the basis for the language in this section of the Part 192. Therefore, the welder should be re-qualified by Section IX of ASME BPV Code and not be required to repeat the initial qualification process as if the welder never held any qualifications. Respondent further suggests that the operator may set a prescriptive period to determine when the welder must "start over" by repeating the initial qualification process.

The Southwest Region does not believe that Respondent's position is in accord with the intent of §192.229(c)(1). The Region correctly interprets §192.229(c)(1) that if a welder has not had one weld tested and found acceptable under section 3 or 6 of API Standard 1104 within the preceding 6 months, the welder cannot weld.

The Region further argued that §192.229(c)(1)does not state that a welder can be requalified in accordance with Section IX of ASME BPV Code when a welder has not had one weld tested and found acceptable within the preceding 6 months. The Region's position is that the welder must be qualified again by the initial qualification process in accordance with §192.227(a), as if the welder has never held any qualifications. This interpretation is flawed.

The Office of Pipeline Safety through the years has issued Advisory Bulletins and interpretations regarding §192.229 and the re-qualification of welders who weld on pipe to be operated at a pressure that produces a hoop stress of 20 percent or more of SMYS. The general consensus of OPS past pattern and practice has been that a welder who has not performed an acceptable test weld within the preceding 6 calendar months may re-qualify by performing a weld and having it tested and found acceptable under the acceptance criteria.

As part of an effort by RSPA to periodically update the pipeline safety regulations and in the interest of maximizing the usefulness of and making the welder qualification period more flexible, a proposed Final Rule on this issue was submitted to the Federal Register on December 17, 2003.³ The proposed rule incorporates the most recent editions of the voluntary consensus standards and specifications referenced in the Federal pipeline safety regulations and this rule clarifies welding requirements. The intent of the amendment is to provide flexibility in meeting the qualification requirements for welders who regularly perform production welds which are tested under the same acceptance criteria for test welds referenced in Section 6 and 9 of API 1104, while ensuring that first time welders and welders who perform welds infrequently are (re)qualified prior to welding. The proposed amended rule reads as follows:

192.229 Limitations on welders.[Amended]

(1) May not weld on pipe to be operated at a pressure that produces a hoop stress of 20 percent or more of SMYS unless within the preceding 6 calendar months the welder has had one weld tested and found acceptable under the applicable acceptance criteria. Alternatively, welders may maintain an ongoing qualification status by

³Docket No.RSPA-99-6106; Amdt. Nos. 191-16, 192-94, 195-79, 199-20; RIN 2137-AD35

performing welds tested and found acceptable under the acceptance criteria at least twice each calendar year, but at intervals not exceeding 7 ½ months. A welder qualified under an earlier edition of standard listed in Appendix A of this part may weld but may not requalify under that earlier edition; and . . .

As for a prescriptive period for requalification, neither the Part 192, Section IX of ASME BPV Code nor section 3 or 6 of API Standard 1104 addressees how long a welder can remain in "not qualified to weld" or "may not weld" status when a welder has not welded for 6 months or more. Respondent's procedures place a limit on the amount of time a welder is in a "not qualified to weld" or "can not weld" status to one (1) year before the welder is required to "start over" by repeating the initial qualification education and training that would be required of a novice. Respondent's policy ensures that the welder's proficiency is maintained. Neither Part 192, Section IX of ASME BPV Code nor section 3 or 6 of API Standard 1104 address how long a welder can remain in "can not weld or not qualified to weld" status before requalifying by having one weld tested and found acceptable under the applicable acceptance criteria. The pipeline safety statute prescribes minimum safety standards that do not prohibit an operators from instituting more stringent safety procedures. The Respondent is not in violation of pipeline safety regulations by having procedures which limit the amount of time a welder can remain in "not qualified to weld" or "may not weld" status when a welder is well outside of the 6 month interval. Accordingly, I find that Respondent's General Welding Procedures WM-020 meet the requirements of Part 192. Based upon a determination of compliance with the regulations, I am withdrawing this allegation of inadequate procedures.

Under 49 C.F.R. § 190.215, Respondent has a right to petition for reconsideration of this Order. The petition must be received within 20 days of Respondent's receipt of this Order and must contain a brief statement of the issue(s). The filing of the petition automatically stays the payment of any civil penalty assessed. All other terms of the order shall remain in full effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Order are effective upon receipt.

Stacev Gerard

Associate Administrator for Pipeline Safety

William H Gute

6/28/04 Date Issued