



U.S. Department
of Transportation

**Research and
Special Programs
Administration**

400 Seventh Street, S.W.
Washington, D.C. 20590

FEB - 4 2005

Mr. Patrick Doolan
Vice President of Operations
Mobil Pipeline
800 Bell Street
Houston, Texas 77002

Re: CPF No. 1-2005-5002H

Dear Mr. Doolan:

Enclosed is a Corrective Action Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It requires you to take certain corrective actions with respect to your 8 inch pipeline that extends from Malvern, PA to Syracuse, NY and Buffalo, NY. The Order includes a pressure reduction on the entire line segment. Service is being made by certified mail and facsimile. Your receipt of this Corrective Action Order constitutes service of that document under 49 C.F.R. § 190.5. The terms and conditions of this Corrective Action Order are effective upon receipt.

Sincerely,

James Reynolds
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

cc: John DuPre
Operations Manager - Northern Operations
Mobil Pipeline
3225 Gallows Road
Room 2134
Fairfax, VA 22037

VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED) AND TELECOPY

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

In the Matter of)

Mobil Pipeline Company,)

Respondent.)

CPF No. 1-2005-5002H

CORRECTIVE ACTION ORDER

Purpose and Background

This Corrective Action Order is being issued, under authority of 49 U.S.C. § 60112, to require Mobil Pipeline Company (Respondent) to take the necessary corrective action to protect the public, property, and the environment from potential hazards associated with a failure involving Respondent's 8 inch pipeline that extends from Malvern, PA to Syracuse, NY and Buffalo, NY ("the affected segment").

On February 1, 2005, Respondent reported a pipeline failure at the Allentown Junction (valve junction), approximately 0.5 miles from Allentown, PA on its 8-inch Malvern to New York pipeline. The cause of the failure has not yet been determined. Pursuant to 49 U.S.C. § 60117, the Eastern Region, Office of Pipeline Safety (OPS) initiated an investigation of the failure.

Preliminary Findings

- On February 1, 2005, at approximately 6:40 a.m. EST, Respondent's 8-inch Malvern to New York pipeline had a failure, resulting in the release of unleaded gasoline which ignited in a heavily populated area in Whitehall, PA.
- The fire resulted in the evacuation of 43 residences within a three block radius and the damage to one car, damage to the siding of one house, and minor landscape damage.
- No injuries or fatalities were reported.
- Respondent reported the incident to the National Response center at 7:51 a.m. EST.

- Respondent's personnel at their Houston Control Center detected a sudden pressure drop at the Allentown Junction at 6:40 am. Respondent immediately started shutdown procedures. Approximately 2 minutes later, a landowner adjacent to the site called the Respondent to report an explosion and fire.
- Respondent isolated the failed pipe section by closing the nearest upstream block valve approximately 9 miles away, and the nearest downstream block valves approximately 11 miles away.
- The Allentown Junction is the point where a 6 inch spur line, approximately 7 miles in length, connects to the affected 8 inch product line. The 6 inch line delivers fuel to the Allentown terminal.
- The 20 miles of isolated line segment was filled with approximately 5,800 barrels of unleaded gasoline. The Respondent conducted a "controlled flare" that burned for 4 days to deplete the gasoline and to prevent a vapor cloud.
- On February 4, 2005, Respondent further isolated 8" line and removed vapors to eliminate fire.
- The failure occurred at the corner of Wehr Mill Road and Huckleberry Road (MP 42.83) in Whitehall, PA. The nearest large town, Allentown, PA, is located approximately 0.5 miles southeast of the failure site.
- Respondent's Malvern to New York Pipeline System is approximately 370 miles long and transports refined petroleum products including diesel fuel and unleaded gasoline through PA, north to Waterloo, NY and then tees west to Buffalo, NY and east towards Syracuse, NY.
- The affected segment extends from the Malvern Pump Station in Chester County, PA in a northerly direction to the end of Respondent's system as described in the above bullet. Portions of the affected segment cross various highways and waterways. The affected segment is routed through a high population high consequence area.
- The cause of the failure has not yet been determined.
- The Allentown Junction valve set and associated pipe line was constructed in 1949. The pipeline is constructed of 8-inch nominal diameter, 0.322-inch wall thickness, Grade B seamless pipe. Above ground portions of the pipeline are painted. Below ground portions have a somastic coating (asphalt and tar) and are cathodically protected by rectifiers.

- The maximum operating pressure (MOP) of the affected segment is 1,440 pounds per square inch gauge (psig). At the time of the failure, the pressure at the Allentown Junction was 533 psig.
- The affected segment was hydrostatically tested on December 16, 1968 to a pressure of 1,590 psig.
- In March 2004, in-line inspections were performed on the pipeline with caliper and wall thinning tools. Based on these inspections, Respondent conducted and completed three 60-day deformation repairs, and expects completion of seven 180-day repairs by March 6, 2005. The 60 day repairs were for dents but not at the Allentown Junction.

Determination of Necessity for Corrective Action Order and Right to Hearing

Section 60112 of Title 49, United States Code, provides for the issuance of a Corrective Action Order, after reasonable notice and the opportunity for a hearing, requiring corrective action, which may include the suspended or restricted use of a pipeline facility, physical inspection, testing, repair, replacement, or other action as appropriate. The basis for making the determination that a pipeline facility is hazardous, requiring corrective action, is set forth both in the above referenced statute and 49 C.F.R. § 190.233, a copy of which is enclosed.

Section 60112, and the regulations promulgated thereunder, provides for the issuance of a Corrective Action Order without prior opportunity for notice and hearing upon a finding that failure to issue the Order expeditiously will likely result in serious harm to life, property or the environment. In such cases, an opportunity for a hearing will be provided as soon as practicable after the issuance of the Order.

After evaluating the foregoing preliminary findings of fact, I find that the continued operation of the affected segment without corrective measures would be hazardous to life, property and the environment. Additionally, after considering the age of the pipe, the proximity of the pipeline to populated areas and waterways, the combustible nature of the products the pipeline transports, the pressure required for transporting the material, and the ongoing investigation to determine the cause of the failure, I find that a failure to expeditiously issue this Order requiring immediate corrective action would likely result in serious harm to life, property, or the environment.

Accordingly, this Corrective Action Order mandating immediate corrective action is issued without prior notice and opportunity for a hearing. The terms and conditions of this Order are effective upon receipt.

Within 10 days of receipt of this Order, Respondent may request a hearing, to be held as soon as practicable, by notifying the Associate Administrator for Pipeline Safety in writing, delivered personally, by mail or by telecopy at (202) 366-4566. The hearing will be held in Houston, TX or Washington, DC on a date that is mutually convenient to OPS and Respondent.

After receiving and analyzing additional data in the course of this investigation, OPS may identify other corrective measures that need to be taken. In that event, Respondent will be notified of any additional measures required and amendment of this Order will be considered. To the extent consistent with safety, Respondent will be afforded notice and an opportunity for a hearing prior to the imposition of any additional corrective measures.

Required Corrective Action

Pursuant to 49 U.S.C. § 60112, I hereby order Mobil Pipeline Company to immediately take the following corrective actions with respect to the Malvern, PA to Syracuse, NY and Buffalo, NY segment of Respondent's Malvern to New York Pipeline system:

1. Prior to resuming operation of the pipeline, submit written start-up procedures to the Director, Eastern Region, OPS. The procedures must provide for an incremental start-up and must include sufficient pressure monitoring, leak patrolling, and surveillance to ensure that no leaks are present when operation of the line is resumed. The Plan must address the normal operating pressure and the reduced operating pressure.
2. Once the pipeline is restarted in accordance with Item 1, the operating pressure on the affected segment is not to exceed 80 percent (80%) of the actual operating pressure in effect just prior to the February 1, 2005 failure. Specifically, the pressure is not to exceed 426 psig at the failure site. This pressure restriction will remain in effect until written approval to increase the pressure or return the pipeline to its pre-failure operating pressure is obtained from the Director, Eastern Region, OPS.
3. Conduct a detailed metallurgical analysis of the pipeline sections that failed on February 1, 2005 to determine the cause and contributing factors for the failure. Report must also analyze valve fitting and other material that may have contributed to the failure. Collect and handle all evidence in accordance with the controlled custody protocol described below. After receiving and analyzing the reports the Director, Eastern Region, OPS may require Respondent to develop other longer term measures.
 - (A) All evidence, including any foreign materials must be gathered, cataloged, tagged and sealed in the presence of OPS or an OPS representative, and the chain-of-custody must be fully documented;

- (B) The metallurgical testing will be done by Kiefner and Associates. Testing protocol to be used must be pre-approved by the Director, Eastern Region, OPS;
 - (C) Prior to commencing the testing, provide the Director, Eastern Region, OPS with the scheduled date, time, and location of the testing to allow an OPS representative to witness it; and
 - (D) Ensure that the laboratory distributes all resulting reports of the failure analysis, whether draft or final, to OPS at the same time as they are made available to Respondent.
4. Make all 2004 in-line inspection data for the Malvern to New York segment available for review by the OPS.
 5. Within thirty (30) days of receipt of this Order, develop and submit a written plan to remediate any defects and anomalies and to address all known or suspected factors identified by the evaluations required by Items 3 above. Submit monthly status reports to the Director, Eastern Region, OPS describing the remedial actions to be taken to prevent future failures of this nature.
 6. Respondent must request approval from the Director, Eastern Region to remove the pressure restrictions set forth in this Corrective Action Order. Respondent must submit information that demonstrates the hazard has been abated and that restoring the Malvern to New York segment to its pre-failure operating pressure is justified based on an analysis showing that the pressure increase is safe considering all known defects, anomalies and operating parameters of the pipeline. After written approval from Director, Eastern Region, Mobil Pipeline may resume operation at the pre-failure operating pressure.

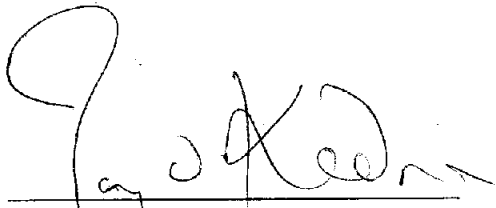
In order to support a request under Item 6 for approval of a return to pre-failure operating pressure, Respondent must submit a written plan to verify the integrity of the Malvern to New York line segment from Malvern, PA to Syracuse, NY and Buffalo, NY. This plan must include any evaluations, testing, repairs, or other remedial action necessary to verify the integrity of the Malvern to New York segment as well as a schedule for completion of these actions. The Director, Eastern Region, may approve the plan and its completion incrementally.

7. The Director, Eastern Region, OPS may grant an extension of time for compliance with any of the terms of this Order for good cause. A request for an extension must be in writing.

Respondent may appeal any decision of the Director to the Associate Administrator for Pipeline Safety. Decisions of the Associate Administrator shall be final.

The corrective actions required by this Corrective Action Order are in addition to and do not waive any requirements that apply to the pipeline under 49 C.F.R. Part 195, including the integrity management program regulations.

Failure to comply with this Order may result in the assessment of civil penalties of not more than \$100,000 per day and in referral to the Attorney General for appropriate relief in United States District Court.



Stacey Gerard
Associate Administrator
for Pipeline Safety

for

FEB - 4 2005

Date Issued