



U.S. Department  
of Transportation

**Research and  
Special Programs  
Administration**

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

NOV 25 2003

Mr. John W. Somerhalder, II  
President  
El Paso Energy Pipeline Group  
1101 Louisiana  
Houston, Texas 77002

Re: CPF No. 4-2001-1005-H

Dear Mr. Somerhalder:

Enclosed is a Post Hearing Decision Confirming the Corrective Action Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. The Decision confirms the findings and the need for the corrective measures required by the order and acknowledges the completion of many of these requirements by Respondent. Service is being made by certified mail and facsimile. Your receipt of the enclosed document constitutes service of that document. The terms and conditions of this Post Hearing Decision are effective upon receipt.

Sincerely,

James Reynolds  
Pipeline Compliance Registry  
Office of Pipeline Safety

cc: Arizona Corporation Commission

Enclosure

**VIA CERTIFIED MAIL (RETURN RECEIPT REQUESTED) AND TELECOPY**

**DEPARTMENT OF TRANSPORTATION  
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION  
WASHINGTON, DC 20590**

**In the Matter of**

**El Paso Natural Gas Pipeline Company,**

**Respondent.**

**CPF No. 4-2001-1005-H**

**POST HEARING DECISION CONFIRMING CORRECTIVE ACTION ORDER**

On August 14, 2001, a Corrective Action Order was issued, under authority of 49 U.S.C. § 60112, to require El Paso Natural Gas Pipeline Company (El Paso) to take the necessary corrective action to protect the public and environment from hazards associated with El Paso Natural Gas Line 1200 (Line 1200) near Williams, Arizona<sup>1</sup>. On August 11, 2001, Line 1200 failed near Williams, AZ, resulting in the release of natural gas which ignited. Among other things, the Corrective Action Order required the line segment, between Valve 34 (MP280) and Valve 35 (MP290), to remain isolated from regular operation by keeping Valve 34 and Valve 35 closed and locked. The Order required that the pressure on the isolated segment was not to exceed 50 psig.

Respondent responded to the Corrective Action Order by letter dated August 22, 2001, requesting a hearing. Later, Respondent requested and was granted two delays of the hearing date. A hearing was held on December 4, 2001 in Houston, Texas at the Office of Pipeline Safety (OPS), Southwest Region.

By the time the hearing was held, Respondent had completed much of the corrective action and was seeking approval to resume normal operation of the isolated segment and closure of the Corrective Action Order. During the hearing, Respondent did not contest the issuance of the Corrective Action Order. Respondent presented information relative to corrective actions taken. Pursuant to the Order, Respondent submitted reports of a detailed metallurgical analysis. The metallurgical analysis concluded that the failure originated from a linked stress corrosion crack (SCC) segment and recommended an assessment to determine the extent that SCC may exist.

Pursuant to the Order, Respondent submitted a written plan to verify the integrity of the line from the Williams Compressor Station (MP 275) to the Seligman Compressor Station (MP317). The

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<sup>1</sup> An edited version of the Corrective Action Order was issued on August 17, 2001 to correct minor inaccuracies contained in the original order.

Regional Director approved the Line 1200 Integrity Assurance Plan on October 18, 2001. The Line 1200 Integrity Assurance Plan provided for hydrostatic testing, which is a strength test, as an acceptable method for detecting significant cracks in a pipe that result from SCC. The line was divided into 14 sections in order to meet the minimum and maximum pressure criteria in the rolling terrain. One of the test reports, dated November 5, 2001, showed that there were three sections that were tested with some anomalous data. These three sections were at issue during the hearing.

In Section 1, the test was not performed pursuant to the approved test plan. The pressure test was stopped approximately 15 minutes less than the eight hours required by the approved plan. During the hearing, the Respondent presented a recorder chart and argued that Section 1 was subjected to an eight hour test pressure. A review of the recorder chart was inconclusive due to its scale.

Likewise, the pressure test performed on Section 5 was less than eight hours. Respondent showed that the test of Section 5 was 15 minutes less than required. Respondent explained that the test was slightly less than eight hours due to contractor error in reading the time line on the recorder chart. After further debate and explanation, the Director, Southwest Region, accepted the test on Section 1 and Section 5 as substantially meeting the requirements of the Order.

Section 7 runs from MP 293.8 to MP 294.9. The November 5, 2001 test report noted that, "test results indicate a leak present in Section 7 of Line 1200 and that the contractor quit looking for the leak and moved on to begin testing the next test section per El Paso's direction." The pressure test was not performed pursuant to the approved plan as a leak was found in Section 7. The approved test plan states that Respondent will repair all leaks and retest the segment. The hydrostatic test result of Section 7 raised the question as to whether it was safe to resume normal operation of the isolated segment, considering the final results of all testing conducted, all known defects, anomalies and operating parameters of Line 1200.

OPS argued that Respondent failed to comply with its approved test plan (Line 1200 Integrity Assurance Plan) which stated "any leaks discovered will be repaired and the leak cause determined" . . . "[t]he line will be tested until the hydrotest is successfully completed. Any leaks will be repaired and investigated for indications of SCC." The Director, Southwest Region, questioned Respondent's efforts to locate and repair the leak in Section 7.

Respondent took the position that the leak had not been discovered as it did not know the exact location of the leak within the section, so there was no need to repair or retest Section 7. Respondent suggested resuming normal operation, by reopening the isolated segment of the line, as the best way to find the leak. A Flame Ionization Detector would be used to conduct a leak survey in order to locate the leak and if found, repaired. Respondent advised that an in line inspection tool was scheduled to be run on Line 1200 in the Spring of 2002.

Arizona Corporation Commission (ACC) challenged Respondent's arguments that the leak had not been discovered. ACC's argued that the documentation submitted by the Respondent and completed by the Respondent's contractor stated that test results indicated the presence of a leak in Section 7. Therefore, the leak had been discovered and Respondent should continue testing to locate and repair the leak in Section 7. The Director, Southwest Region, agreed with the ACC and further reasoned that once Respondent identified the leak during the pressure test that identification was discovery.

The Southwest Region supported ACC's argument and reiterated that Respondent had failed to comply with its approved test plan, which states that a successful hydrostatic test is one that is completed without leakage. OPS rejected the hydrostatic test Respondent performed on Section 7, approximately six thousand feet of pipe.


During the hearing, Respondent failed to make the showing required by Item 5 of the Corrective Action Order for removal of the pressure restriction. Specifically, Respondent failed to demonstrate the satisfactory completion of all integrity tests.

At the close of the hearing, Respondent was permitted to submit post hearing documentation in support of its request to resume operation of the isolated segment, return to normal operating pressure and its efforts to achieve compliance. On December 17, 2001, Respondent submitted post hearing documentation that the leak in Section 7 has been located and repaired. In addition, Respondent stated that it would use a Flame Ionization Detector for leak surveys.

Respondent confirmed that it would complete an in line inspection using a high resolution MFL tool in 2002 and it would conduct a Direct Assessment of the Williams to Seligman portion of Line 1200. The Direct Assessment will be performed in accordance with the draft ASME Standard. Respondent has been given a copy of the draft for performing "Direct Assessment for External Corrosion" with notations added by Regional Director. The in-line inspection will be performed in accordance with manufacturer standards. Following completion of the Direct Assessment and the in-line inspection, including any evaluation, excavation and remediation, Respondent will provide a report to the Director, Southwest Region detailing the processes, tests, and final mitigative measures taken as a result of the Direct Assessment, including a comparison of the in-line inspection and the Direct Assessment. The report will be submitted to the Director, Southwest Region, OPS within 180 days after completion of all necessary excavations and repairs.

On January 2, 2002, the Director, Southwest Region, removed the pressure restriction and authorized the reopening of the isolated segment of for normal operation based upon the showing that the hazard has been abated, as the leak in Section 7 has been located and repaired.

This Corrective Action Order will remain in effect until all required corrective action items are satisfactorily completed. Failure to comply with this Order may result in the assessment of civil penalties of not more than \$25,000 per day and in referral to the Attorney General for appropriate relief in United States District Court.

  
Stacey Gerard  
Associate Administrator  
for Pipeline Safety

NOV 25 2003

Date Issued