



U.S. Department
of Transportation

**Research and
Special Programs
Administration**

400 Seventh St S W
Washington D C 20590

OCT 30 2003

Mr. Edward M. Nolan
Senior Vice President - Utilities Operations
Equitrans, L.P.
200 Allegheny Center Mall
Pittsburgh, PA 15212-5331

RE: CPF No. 1-2002-1002

Dear Mr. Nolan:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes findings of violation, finds that you have completed the corrective actions proposed in the Notice of Probable Violation and assesses a civil penalty of \$10,000. The penalty payment terms are set forth in the Final Order. This enforcement action closes automatically upon payment. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

Gwendolyn M. Hill
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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

In the Matter of

Equitrans, L.P.,

Respondent.

CPF No. 1- 2002-1002

FINAL ORDER

On September 20, 2001, a representative of the Eastern Region, pursuant to 49 U.S.C. § 60117, a representative of the Office of Pipeline Safety (OPS) conducted a pipeline safety construction inspection of Respondent's replacement of approximately 8,100 feet of 8-inch diameter pipe in the Pratt Storage Field in Pennsylvania. As a result of the inspection, the Director, Eastern Region, OPS, issued to Respondent by letter dated February 14, 2002, a Notice of Probable Violation, Proposed Civil Penalty and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. §§ 192.225 and 192.241 and proposed assessing a civil penalty of \$10,000 for the alleged violations.

Respondent responded to the Notice by letter dated March 11, 2002 (Response). Respondent did not contest the allegations of violation but provided information concerning the corrective actions it has taken. On October 4, 2002, Respondent submitted to OPS documentation in completion of the Proposed Compliance Order. Respondent did not request a hearing, consequently Respondent waived its right to one.

FINDING OF VIOLATION

In its Response, Respondent did not contest the alleged violations in the Notice. Accordingly I find that Respondent violated the following sections of 49 C.F.R. Part 192, as more fully described in the Notice:

49 C.F.R. 192.225(a) – failing to weld new 8" diameter pipe in accordance with welding procedures qualified to produce welds meeting the requirements of Part 192, Subpart E, Welding of Steel in Pipelines; and

49 C.F.R. 192.241(a) – failing to perform visual inspection of the welds to ensure that the welding is performed in accordance with the welding procedure and that it is acceptable according to API Standard 1104.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

ASSESSMENT OF PENALTY

Under 49 U.S.C. § 60122, Respondent is subject to a civil penalty not to exceed \$100,000 per violation for each day of the violation up to a maximum of \$1,000,000 for any related series of violations.

49 U.S.C. § 60122 and 49 C.F.R. §190.225 require that, in determining the amount of the civil penalty, I consider the following criteria: nature, circumstances, and gravity of the violation, degree of Respondent's culpability, history of Respondent's prior offenses, Respondent's ability to pay the penalty, good faith by Respondent in attempting to achieve compliance, the effect on Respondent's ability to continue in business, and such other matters as justice may require.

The Notice proposed a penalty of \$5,000 for violation of § 195.225(a) and \$5,000 for violation of § 195.241(a). The circumstances of both violations make these serious violations. As for violation of § 195.225(a), according to the Notice, Respondent failed to install steel pipe at the Pratt Storage Field construction project in accordance with written and qualified welding procedures specified in Respondent's Operating Standards. Respondent used written welding procedure #7.1, which was inadequate in that it did not include welding 8-inch diameter pipe material. In addition, the project involved X-42 grade material, whereas the #7.1 procedure was qualified using Grade B material.

Moreover, the inspector found that the welders were not complying even with welding procedure #7.1, using different rods for the root bead, hot bead, filler and cap, and also a different voltage range than required by #7.1. The welding of pipe not in accordance with qualified written welding procedures can lead to weld failure, which can lead to release of gas from the pipeline and resulting danger to the public and environment.

As for violation of § 195.241(a), the OPS inspector noted that a copy of the welding procedures to be used for the project were not available on location. Respondent's welding inspector was not aware of the procedural requirements for rod size, type, volt/amp settings, travel speed, direction of travel, and other essential variables outlined in the welding procedure for the project.

The welding inspector told OPS that visual inspections were not required due to the 100% x-ray of the welds. OPS acknowledged that Respondent performed 100% radiographic non-destructive testing of all of the butt welds throughout the length of the project. Radiographic testing of the welds provides data regarding internal defects of the weld, but does not provide data regarding the quality of the weld. The quality of the weld is determined through destructive testing as part of the welding

procedure qualification. Radiographic testing does not relieve Respondent of the requirement to conduct visual inspection of the welding process to ensure that the welding is being performed in accordance with the specified and/or qualified welding procedure for the size of pipe and material to be welded. Poor welding practices may lead to premature failure of the welds, possible release of gas and danger to public safety.

Respondent has not shown any circumstance that would justify reducing the civil penalty. Accordingly, having reviewed the record and considered the assessment criteria, I assess respondent a total of \$10,000. A determination has been made that Respondent has the ability to pay this penalty without adversely affecting its ability to continue in business.

Payment of the civil penalty must be made within 20 days of service. Federal regulations (49 C.F.R. 89.21(b)(3)) require this payment be made by wire transfer, through the Federal Reserve Communications system (Fedwire), to the account of the U.S. Treasury. Detailed instructions are contained in the enclosure. Questions concerning wire transfers should be directed to: Financial Operations Division (AMZ-120), Federal Aviation Administration, Mike Monroney Aeronautical Center, P.O. Box 25770, Oklahoma City, OK 73125; (405) 954-4719.

Failure to pay the \$10,000 civil penalty will result in accrual of interest at the current annual rate in accordance with 31 U.S.C. § 3717, 31 C.F.R. § 901.9 and 49 C.F.R. § 89.23. Pursuant to those same authorities, a late penalty charge of six percent (6%) per annum will be charged if payment is not made within 110 days of service. Furthermore, failure to pay the civil penalty may result in referral of the matter to the Attorney General for appropriate action in a United States District Court.

COMPLIANCE ORDER

The Notice proposed a compliance order for violations of 49 C.F.R. §§ 195.225, and 195.241. Respondent has demonstrated corrective action addressing the items in the proposed compliance order.

Respondent sent one butt weld from each of Respondent's welders on the Pratt Storage Field construction project to Westmoreland Mechanical Testing and Research, Inc., for destructive testing. The butt welds were cut out and tested in accordance with API 1104. Respondent submitted a report of the destructive testing results. The results showed that the welds were satisfactory.

Respondent developed a written welding procedure in accordance with API 1104 to be used for 8-inch nominal diameter, API-5L, 0.322 wall Grade X-42 pipe material.

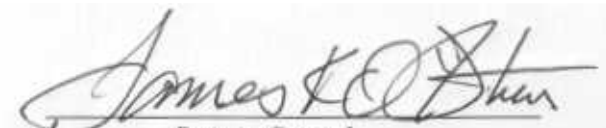
Respondent conducted a review of its welding procedures and procedures qualification records to ensure that they are in compliance with the code and API 1104. As a result of the review, Respondent developed two new standards: "Inspection of Construction Welds Performed by

Contract Welders” and “Qualification Requirements and Limitations on Welders.” Both of these standards comply with API 1104. They contain detailed written procedures to provide instruction and guidance to weld inspectors and outline qualification requirements of weld inspectors. The standards provide that if a welding standard is revised, weld inspectors will be notified of the changes for requalification.

Respondent conducted a Welding Standard Review training for eleven of its welders on June 6, 2002.

Because Respondent’s actions satisfied the proposed compliance terms, no need exists to issue a compliance order.

Under 49 C.F.R. § 190.215, respondent has a right to petition for reconsideration of this Final Order. However, if the civil penalty is paid, the case closes automatically and Respondent waives the right to petition for reconsideration. The filing of the petition automatically stays the payment of any civil penalty assessed. The petition must be received within 20 days of Respondent’s receipt of this Final Order and must contain a brief statement of the issue(s). The terms and conditions of this Final Order are effective on receipt.


Stacey Gerard
Associate Administrator for Pipeline Safety

OCT 30 2003

Date Issued