



U.S. Department
of Transportation

Research and
Special Programs
Administration

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

MAR 24 2004

DOT-E 12695
(FIRST REVISION)

EXPIRATION DATE: December 31, 2006

(FOR RENEWAL, SEE 49 CFR § 107.109)

1. GRANTEE: Global Composites International, Inc.
Ontario, CA
2. PURPOSE AND LIMITATIONS:
 - a. This exemption authorizes the manufacture, mark, sale, and use of non-DOT specification fully wrapped carbon-fiber reinforced aluminum lined cylinders for the transportation in commerce of the materials authorized by this exemption. This exemption provides no relief from the Hazardous Materials Regulations (HMR) other than as specifically stated herein.
 - b. The safety analyses performed in development of this exemption only considered the hazards and risks associated with transportation in commerce. The safety analyses did not consider the hazards and risks associated with consumer use, use as a component of a transport vehicle or other device, or other uses not associated with transportation in commerce.
3. REGULATORY SYSTEM AFFECTED: 49 CFR Parts 106, 107 and 171-180.
4. REGULATIONS FROM WHICH EXEMPTED: 49 CFR §§ 173.302a(a)(1), 173.304a(a), and § 180.205 in that non-DOT specification cylinders are not authorized except as prescribed herein.
5. BASIS: This exemption is based on the application of Global Composites International dated January 6, 2004, submitted in accordance with § 107.109.

6. HAZARDOUS MATERIALS (49 CFR § 172.101):

Proper Shipping Name/ Hazardous Materials Description	Hazard Class/ Division	Identi- fication Number	Packing Group
Air, compressed (containing up to 39% by volume oxygen content)	2.2	UN1002	N/A
Argon, compressed	2.2	UN1006	N/A
Carbon Dioxide, compressed	2.2	UN1013	N/A
Compressed gas, n.o.s.	2.2	UN1956	N/A
Compressed gas, oxidizing, n.o.s.	2.2	UN3156	N/A
Helium, compressed	2.2	UN1046	N/A
Hydrogen, compressed	2.1	UN1049	N/A
Liquefied gas, n.o.s.	2.2	UN3157	N/A
Methane, compressed or Natural gas, compressed	2.1	UN1971	N/A
Nitrogen, compressed	2.2	UN1066	N/A
Nitrous Oxide, compressed	2.2	UN1070	N/A
Oxygen, compressed	2.2	UN1072	N/A

7. SAFETY CONTROL MEASURES:

a. PACKAGING - Prescribed packaging is a fully wrapped carbon-fiber reinforced aluminum lined cylinder made in conformance with the Basic Requirements for Fully Wrapped Carbon-Fiber Reinforced Aluminum Lined Cylinders (DOT-CFFC) Fourth Revision), dated November 2000.

b. TESTING - Cylinders must be reinspected and hydrostatically retested at least once every five years. Testing must be performed in accordance with § 180.205, DOT-CFFC-13 and the latest edition of CGA pamphlet C-6.2

"Guidelines for Visual Inspection and Re-qualification of Fiber Reinforced High Pressure Cylinders", except as specifically noted herein:

- (1) Cylinders must be volumetrically tested by the water jacket method suitable for the determination of the cylinder expansion for a minimum test time of one minute after the pressure has stabilized in the cylinder.
- (2) A maximum permanent expansion to total expansion ratio does not apply. The cylinder must be condemned if the elastic expansion exceeds the rejection elastic expansion (REE) as marked on the cylinder.
- (3) Retest markings must be applied on a label securely affixed to the cylinder and overcoated with epoxy, near the original test date. Metal stamping of the composite surface is prohibited. Reheat treatment of rejected cylinders is not authorized.
- (4) Cylinders with fiber damage (cuts, abrasions, etc.) that exceed Level 1 type damage as defined in C-6.2 and meet the following depth and length criteria are considered to have Level 2 damage:
 - (i) Depth - Damage that upon visual inspection is seen to penetrate the outer fiberglass layer but does not expose the carbon layer beneath, or that has a measured depth of greater than 0.005 inches and less than 0.045 inches for cylinders with an outside diameter greater than 7.5 inches or less than 0.035 inches for cylinders 7.5 inches or less in outside diameter;
 - (ii) Length - Damage that has a maximum allowable length of:

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Region	Direction of fiber damage	Maximum length of damage
Cylinder sidewall and domes	Transverse to fiber direction (longitudinal direction)	20% of the length of the straight sidewall section of the cylinder
Cylinder sidewall and domes	In the direction of the fiber (circumferential direction)	20% of the length of the straight sidewall section of the cylinder

(5) Cylinders with damage that meet the Level 2 criteria must be rejected. Retesters must contact the cylinder manufacturer in the event that damage is questionable based on this criteria. Repair of rejected cylinders is authorized for Level 2 type damage. Repairs must be made in accordance with CGA pamphlet C-6.2, prior to the hydrostatic pressure test. Repairs must be evaluated after the hydrostatic test.

(6) Cylinders that have direct fiber damage that penetrates through the outer fiberglass layer and into the carbon layer, or that have a measured damage depth of greater than the Level 2 maximum stated in (5)(a) above are considered to have Level 3 type damage. Cylinders that have damage with depth meeting Level 2, but length exceeding the Level 2 maximum are considered to have Level 3 type damage. Cylinders with Level 3 type damage are not authorized to be repaired, and must be condemned.

(7) A hydrostatic retest may be repeated as provided for in § 180.205(g), only two such retests are permitted. Pressurization prior to the official hydrostatic test for the purpose of a systems check must not exceed 85% of the required test pressure.

c. OPERATIONAL CONTROLS -

(1) Cylinders manufactured under this exemption are not authorized for use fifteen (15) years after the date of manufacture.

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(2) Cylinders may not be used for underwater breathing purposes.

(3) Cylinders used in oxygen service must conform with § 173.302(b)(1) thru (4). Cylinders used in nitrous oxide service must conform with § 173.304a(a).

(4) A cylinder that has been subjected to fire may not be returned to service.

(5) Transportation of flammable gases is not authorized aboard aircraft or cargo vessel.

(6) Transportation of oxygen is only authorized when in accordance with § 172.102(c)(2) Special Provision A52 and §§ 175.85(h) and (i).

(7) Cylinders must be packaged in accordance with § 173.301(a)(9).

8. SPECIAL PROVISIONS:

a. In accordance with the provisions of Paragraph (b) of § 173.22a, persons may use the packaging authorized by this exemption for the transportation of the hazardous materials specified in paragraph 6, only in conformance with the terms of this exemption.

b. A person who is not a holder of this exemption, but receives a package covered by this exemption, may reoffer it for transportation provided no modifications or changes are made to the package and it is offered for transportation in conformance with this exemption and the HMR.

c. A current copy of this exemption must be maintained at each facility where the package is offered or reoffered for transportation.

d. A current copy of this exemption must be maintained at each facility where the package is manufactured under this exemption. It must be made available to a DOT representative upon request.

e. Each packaging manufactured under the authority of this exemption must be either (1) marked with the name of the manufacturer and location (city and state) of the facility at which it is manufactured or (2) marked with a

registration symbol designated for a specific manufacturing facility.

f. The cylinders described in this exemption are authorized only for normal transportation as an article of commerce i.e., the movement of hazardous materials packages from consignor to consignee.

9. MODES OF TRANSPORTATION AUTHORIZED: Motor vehicle, rail freight, cargo vessel, cargo aircraft, and passenger-carrying aircraft (see paragraph 7.c.(5) and (6) for restrictions).
10. MODAL REQUIREMENTS: A current copy of this exemption must be carried aboard each cargo vessel or aircraft used to transport. The shipper must furnish a copy of this exemption to the air carrier before or at the time the shipment is tendered.
11. COMPLIANCE: Failure by a person to comply with any of the following may result in suspension or revocation of this exemption and penalties prescribed by the Federal hazardous materials transportation law, 49 U.S.C. 5101 et seq:
 - o All terms and conditions prescribed in this exemption and the Hazardous Materials Regulations, Parts 171-180.
 - o Persons operating under the terms of this exemption must comply with the security plan requirement in Subpart I of Part 172 of the HMR, when applicable.
 - o Registration required by § 107.601 et seq., when applicable.

Each "Hazmat employee", as defined in § 171.8, who performs a function subject to this exemption must receive training on the requirements and conditions of this exemption in addition to the training required by §§ 172.700 through 172.704.

No person may use or apply this exemption, including display of its number, when this exemption has expired or is otherwise no longer in effect.

12. REPORTING REQUIREMENTS: The carrier is required to report any incident involving loss of packaging contents or packaging failure to the Associate Administrator for

Hazardous Materials Safety (AAHMS) as soon as practicable. (Sections 171.15 and 171.16 apply to any activity undertaken under the authority of this exemption.) In addition, the holder(s) of this exemption must also inform the AAHMS, in writing, as soon as practicable of any incidents involving the package and shipments made under this exemption.

Issued in Washington, D.C.:



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(DATE)

fr
Robert A. McGuire
Associate Administrator for
Hazardous Materials Safety

Address all inquiries to: Associate Administrator for Hazardous Materials Safety, Research and Special Programs Administration, Department of Transportation, Washington, D.C. 20590.
Attention: DHM-31.

Copies of this exemption may be obtained by accessing the Hazardous Materials Safety Homepage at <http://hazmat.dot.gov/exemptions> Photo reproductions and legible reductions of this exemption are permitted. Any alteration of this exemption is prohibited.

PO: SStaniszewski/sdc



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of Transportation

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**Pipeline and
Hazardous Materials
Safety Administration**

JUL 15 2005

Global Composites International, Inc.
Dr. Krishna Lal Agrawal, Vice President
760-E, Rochester Avenue
Ontario, CA 91761

Dear Dr. Agrawal:

This is to inform you that the authority of Global Composites International to operate under exemption DOT-E 12695 and approval M5439 is suspended until further notice. I have based the suspension of this authority to operate under the exemption and approval on the following:

The U.S. Department of Transportation conducted an investigation of your cylinder manufacturing activities utilizing exemption DOT-E 12695 and approval M5439. The investigation revealed areas of alleged non-compliance with the terms of the exemption and approval. These areas of non-compliance include:

- Manufacturing, marking, representing, and selling cylinders as meeting the terms of DOT-E 12695:
 - without Independent Inspection
 - without performing certain design qualification and production tests, including burst and fiber wrap tensile tests
 - without performing an autofrettage of cylinder liners
 - without performing hydrostatic tests

A manufacturer of DOT exemption cylinders is required to follow specific manufacturing and testing protocols and procedures specified in the exemption and regulations. The manufacturer must utilize and submit their process and cylinders to an approved Independent Inspection Agency. This required level of verification, oversight, and quality control ensures compliance with the federal standards and regulations and ultimately provides a valid certification of those cylinders to meet that level of integrity and safety.

Based on the results of this investigation, it is my belief that operations under this exemption should be suspended immediately. In accordance with the provisions in § 107.121(b), (c) and (d), and § 107.713(b), (c), and (d), I intend to terminate the regulatory relief and authorization set forth in DOT Exemption 12695 and DOT Approval M5439.

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You have the opportunity to demonstrate why I should withdraw this suspension and not terminate the exemption and approval. Please respond within 30 days of receipt of this letter to show cause why these actions should not be taken. This action does not preclude the initiation of other enforcement actions by the U.S Department of Transportation for violations of the HMR or any exemption or approval issued there-under.

Should you have any questions, please do not hesitate to contact Mr. Delmer Billings, Director, or Mr. Ryan Posten, Exemptions Program Officer, Office of Hazardous Materials Exemptions and Approvals at (202)366-4535.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert A. McGuire". The signature is fluid and cursive, with a long horizontal stroke at the end.

Robert A. McGuire
Associate Administrator for
Hazardous Materials Safety

CERTIFIED MAIL – RETURN RECEIPT REQUESTED