U.S. Department of Transportation

Pipeline and Hazardous Materials Safety Administration

SEP 2 6 2016

Mr. Jerry Nelson Maverick International, LTD 1650 Brockman P.O. Box 6600 Beaumont, TX 77725-6600

Dear Mr. Speer:

In a letter to the Pipeline and Hazardous Materials Safety Administration (PHMSA) dated July18, 2016, you requested an interpretation of 49 CFR Part 192. You stated an earlier revision of API 5L allowed manufacturers to upgrade a pipe's certification. You elaborated, stating that under this earlier version of API 5L, a 42-inch pipe made by a mill as an X65 pipe could have been recertified as an X70 pipe; this could have been accomplished if all relevant characteristics listed on the pipe mill certificate demonstrated that the pipe met specification requirements for X70 pipe. However, such a recertification process is not allowed under the new version of API 5L.

You stated an attached 1992 PHMSA interpretation confirms the above recertification process. The 1992 interpretation states that, a new pipe certified to Grade X42 of API 5L, could also meet the requirements of Grade X52 pipe if the pipe manufacturer's certificate shows the pipe's characteristics demonstrate the pipe met the specification requirements for pipe Grade X52. Further, PHMSA's response states if an operator were unable to obtain a recertification certificate from the pipe's manufacturer, PHMSA would consider the pipe manufactured in accordance with the listed specification, (API 5L), if the operator did the following:

- 1. Shows the manufacturer's certified test reports to verify that the material quality and attributes, including the chemical composition, mechanical properties, and mill test pressure, are in compliance with the specification requirements for pipe Grade X52;
- 2. Remove from each piece of pipe the manufacturer's name or mark, the grade marking, and the API monogram;
- 3. Add to the markings that remain the operator's name or mark, as well as the appropriate grade marking;
- 4. Issue a certified test report verifying the pipe meets the requirements of pipe Grade X52; and
- 5. Maintain records establishing the traceability of the pipe to the operator's and the manufacturer's certified test reports.

You asked if the 1992 interpretation is still a valid and acceptable practice.

The Pipeline and Hazardous Materials Safety Administration, Office of Pipeline Safety provides written clarifications of the Regulations (49 CFR Parts 190-199) in the form of interpretation letters. These letters reflect the agency's current application of the regulations to the specific facts presented by the person requesting the clarification. Interpretations do not create legally-enforceable rights or obligations and are provided to help the public understand how to comply with the regulations.

The current incorporated by reference API 5L, (45th Edition), does not allow recertification. Section 11.4 of this standard, (API 5L Section 11.4), states marking of pipe to multiple grades is permitted only by agreement between the purchaser and the manufacturer for pipe of less than X42 grade, and also for pipe of between X42 and X60 grade ranges. However, multiple grade markings are not allowed for pipe of X60 and above grades.

Also, the pipe manufacturer is responsible for ensuring the pipe conforms to all requirements of each certified grade in API 5L, Section 11.4.2. This includes ensuring the certification for all pipe properties, both mechanical and chemical, as well as all pipe tests and inspections required for the certified grade – including those tests and inspections for the pipe body and seam welds. API 5L, Section 11.4.4 states that "after delivery of the pipe, no remarking or recertification of the pipe to a different grade or different PSL level (PSL 1 to PSL 2) shall be permitted."

Therefore, the 1992 interpretation is not valid for pipes being upgraded by someone who was not the pipe manufacturer. In this case, your question is whether pipe of grade X65 can be recertified to pipe of grade X70 by someone other than the pipe manufacturer. For the above reasons, the answer is no. If we can be of further assistance, please contact Tewabe Asebe at 202-366-5523.

Sincerely,

John A. Gale

Director, Office of Standards and Rulemaking

The Pipeline and Hazardous Materials Safety Administration, Office of Pipeline Safety provides written clarifications of the Regulations (49 CFR Parts 190-199) in the form of interpretation letters. These letters reflect the agency's current application of the regulations to the specific facts presented by the person requesting the clarification. Interpretations do not create legally-enforceable rights or obligations and are provided to help the public understand how to comply with the regulations.



FAX: 1+(409) 833-3123 Tele: 1+(409) 833-7878 MAVERICK INTERNATIONAL, LTD. 1650 Brockman ~ P.O. Box 6600 Beaumont, Texas 77725-6600 USA

July 18, 2016 Page 1 of 2

US Department of Transportation 1200 New Jersey Avenue SE East Building, 2nd Floor Washington, DC 20590

Fax: 202-493-2311

I am looking for a opinion on pipe question.

In the last revision of API5L, the specification now will not let manufacturers upgrade the pipe. For example, mill has 42" pipe that was Made by the mill as X65 pipe. All the chemical, physical, tensiles, etc show On the mill certificate that the material meets the X70 specification also. Mill will not recertify the pipe as they say API5L now prohibits them from doing this.

I located a old opinion in your files, P1-92-0101 which addresses this same issue. My question is, it is acceptable practice for third party to remove the Original manufacturers name, monogram, etc, and then have third party Certify the pipe and put their name and control number on the material?

This is what this Opinion states, but I wanted to make sure this opinion was Still valid and acceptable practice.

You can call me at 800-541-6090 or fax me at the number below, or even Email me a jerry.nelson@mavint.com

Thanks for your time

Jerry Nelson Partner

MAVERICK INTERNATIONAL, LTD. 409-833-7878 800-541-6090 FAX: 1+ 409 833 3123 BRANDING THE WORLD WITH QUALITY PRODUCTS, COMPETITIVE PRICES AND SUPERIOR SERVICE

PI-92-0101

March 25, 1992 Mr. Greg Muller Callier Steel Pipe & Tube, Inc. Saint Louis, MO 63178 Dear Mr. Muller:

We have received by facsimile your letter March 17, 1992, in which you request that the Office of Pipeline Safety (OPS) verify that the proposed procedure in your letter would satisfy Department of Transportation regulations for certifying pipe API5LB/X42 to a higher test line pipe grade for a gas storage project. Section 192.55(a)(1) states in part that new steel pipe is qualified for use under Part 192 of the gas pipeline safety regulations if it was manufactured in accordance with a listed specification. Relative to your request, the applicable listed specification is API Specification 5L, 1988 Edition. We understand that your request applies to new pipe that has been certified to Grade X42 of API 5L and that you have manufacturer's certificates verifying that it also meets the requirements of Grade X52. The preferred means to recertify the pipe to Grade X52 is to request that the manufacturer appropriately recertify and remark the pipe. In that case, it would be unnecessary for OPS to furnish an opinion because the pipe would be manufactured in accordance with a listed specification as required in § 192.55(a)(1).

If you are unable to obtain recertification from the manufacturer, OPS would consider that the pipe is manufactured in accordance with a listed specification (API 5L) if Callier does the following:

1. Review the manufacturer's certified test reports to verify that the material quality and attributes, including the chemical composition, mechanical properties, and mill test pressure, are in compliance with the specification requirements for Grade X52.

2. Remove from each piece of pipe the manufacturer's name or mark, the grade marking, and the API monogram.

Add to the markings that remain Callier's name or mark and the appropriate grade marking.

4. Issue a certified test report verifying that the pipe meets the requirements of Grade X52.

5. Maintain records establishing the traceability of the pipe to Callier's and the manufacturer's certified test reports.

Your letter proposes to use a control number marked on the pipe to maintain traceability. A control number is not a requirement for marking of pipe produced to API 5L. However, a control number is essential for comparing the pipe to the corresponding documentation and should be included in your marks on the pipe. If you have any questions, please contact G. Joseph Wolf of this office at (202) 366-4560. Sincerely,

Cesar De Leon Director, Regulatory Programs Office of Pipeline Safety