U.S. Department
of Transportation

Pipeline and Hazardous Materials Safety Administration

1200 New Jersey Avenue, SE
Washington, D.C. 20590

April 18, 2014

Mr. David J. Chislea
Manager, Gas Operations Section
Department of Licensing and Regulatory Affairs
Michigan Public Service Commission
6545 Mercantile Way
Post Office Box 30221
Lansing, Michigan 48909

PHMSA-2012-0281

Dear Mr. Chislea:

By letter dated October 17, 2012, the Michigan Public Service Commission (MPSC), Department of Licensing and Regulatory Affairs, notified the Pipeline and Hazardous Materials Safety Administration (PHMSA) that WMRE of Michigan, LLC (WMRE) filed a request with the MPSC for waiver of Rule 460.20201 of the Michigan Gas Safety Standards (Request). The MPSC further informed PHMSA that, having undertaken proceedings to determine whether granting the waiver would be in the public interest, the MPSC intended to grant the Request as part of a settlement agreement. Under 49 U.S.C. § 60118(d), any waiver that a State is considering granting is subject to review by PHMSA.

The waiver request involves the continued use of an existing Polyethylene (PE) pipeline manufactured according to ASTM F714 rather than ASTM D2513 which is incorporated by reference in 49 CFR Part 192. ASTM F714 is normally intended for use with products such as water, municipal sewage, domestic sewage and industrial process liquids, whereas ASTM D2513 is intended for use with gas. The pipeline is approximately 1.5 miles in length, consisting of PE 3408 pipe ranging in diameter from 14 to 16 inches, and delivers landfill gas (primarily methane) from two adjacent landfills to the General Motors (GM) Orion Assembly Plant in Orion Township, Michigan. The pipeline from Eagle Valley Landfill to the GM Plant is in a Class 1 location, and the pipeline from Oakland Heights Landfill to the GM facility is in a Class 3 location. There are no High Consequences Areas (HCAs) or identified sites.

As part of the information reviewed by the MPSC and submitted to PHMSA, an independent expert determined the pipe used in the current pipeline is equivalent to ASTM D2513 pipe in nearly all respects including the type of resin used, physical specifications, and allowable operating conditions. Pipe manufactured to ASTM F714 requirements does not meet certain marking requirements of ASTM D2513, and the pipe would not be manufactured under applicable D2513 certification requirements. It should be noted that there are differences in the dimensional requirements of the two standards. Additional testing and certification was performed on both the pipe and fittings throughout the system to check for consistency. The pipeline passed pressure tests of 52 psi, which is above the MAOP and substantially above the

pipeline's actual operating pressure of approximately 5 to 10 psi. The current pipeline has been operated without incident since approximately 1998.

As part of the waiver, MPSC is imposing a number of conditions including:

- WMRE shall not increase the maximum allowable operating pressure above 34.6 psig;
- WMRE shall conduct annual leak surveys with a flame ionization instrument capable of detecting methane in minute amounts. WMRE shall conduct patrols along the entire length of the pipeline 4 times each calendar year with a maximum interval of 4.5 months between patrols;
- WMRE shall maintain an accurate (as-built) map of the system for use by all employees, and shall file a copy of the map with MPSC;
- WMRE shall maintain line markers that are visible along the entire length of the pipeline so that each marker is within the line of sight of the adjacent markers;
- WMRE shall use pipe meeting requirements in 49 CFR 192 and the Michigan Gas Safety Standards for future additions, replacements, and maintenance of the pipeline; and
- WMRE shall use a fusion process for repairs to its pipeline instead of mechanical and compression fittings.

To review additional technical information associated with the pipeline, a number of extensions were requested by PHMSA and granted by MPSC. As part of the additional correspondence, WMRE indicated the GM Assembly Plant is planning to make a number of upgrades and repairs along the pipeline system including repairing a currently inoperable gas cooler at the Oakland Heights Landfill where gas discharge temperatures are between 150 and 170°F. It is anticipated that after repair gas discharge temperatures will be similar to the Eagle Valley location, of between 90 and 100°F.

PHMSA has reviewed the information provided by the MPSC in its October 17, 2012 letter, including additional correspondence from MPSC and WMRE. PHMSA does not object to the waiver provided that the conditions indicated by WMRE and upgrades imposed by MPSC are completed.

My staff would be pleased to discuss this matter or any other regulatory matter with you. John Gale, Director of Standards and Rulemaking, 202-366-0434, may be contacted on regulatory matters and Kenneth Lee, Director of Engineering and Research, 202-366-2094, may be contacted on technical matters.

Sincerely,

for: Jeffrey D. Wiese
Associate Administrator for Pipeline Safety