



U.S. Department  
of Transportation

**Pipeline and Hazardous  
Materials Safety  
Administration**

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

**JUL 29 2011**

Commissioner Mona Dohman  
Minnesota Department of Public Safety  
Office of the Commissioner  
445 Minnesota Street, Suite 1000  
Saint Paul, Minnesota 55101

Dear Commissioner Dohman:

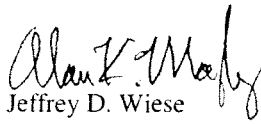
On May 31, 2011, the Pipeline and Hazardous Materials Safety Administration (PHMSA) received your notice informing us that the Department of Public Safety has granted CenterPoint Energy (CNP) a waiver of 49 C.F.R. §192.939(a)(2), for the required reassessment interval for ECDA for one year. The waiver would be applied to CNP pipelines known as MBLNE and MBLSE.

PHMSA has completed its technical review and has no objections to the waiver granted to CNP, provided the following recommendations are met.

- The waiver should only be granted through October 31, 2012.
- A cathodic protection system test and applicable remediation in accordance with §§192.463, 192.467, and 192.473 is required for CNP Lines MBLNE and MBLSE. All areas that do not meet §§192.463, 192.467, and 192.473 must be remediated within 90 days.
- Leakage surveys shall be conducted a minimum of every other week not to exceed 14 days with gas detection instruments that can detect LEL and gas concentration for the duration of the waiver.
- Hydrotesting of Line MBLNE must be completed by August 7, 2012. Hydrotesting of Line MBLSE must be completed by October 31, 2012.

My staff would be pleased to discuss this request or any other pipeline safety matter with you. John Gale, Director, Division of Standards and Rulemaking, 202-366-4959, may be contacted on regulatory matters and Jeffery Gilliam, Director, Division of Engineering and Research, 202-366-0568, may be contacted on technical matters specific to this request.

Sincerely,

*for:*   
Jeffrey D. Wiese  
Associate Administrator for Pipeline Safety

MAY 31 2011

# MINNESOTA DEPARTMENT OF PUBLIC SAFETY



## Office of the Commissioner

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www.dps.state.mn.us

May 16, 2011

Jeffrey D. Wiese  
Associate Administrator for Pipeline Safety  
U.S. Department of Transportation  
1200 New Jersey Avenue, SE  
Second Floor, East Building  
Washington, DC 20590-0001

Dear Mr. Wiese:

On April 4, 2011, CenterPoint Energy (CNP) requested a hearing for a waiver of 49 CFR 192.939 to delay completion of its reassessment for segments MBLNE and MBLSE by one year. The waiver was requested per 49 CFR 192.943(a)(2) because CNP cannot maintain local product supply if it conducts the reassessment within the required interval.

### Notice and Hearing

After providing notice to CNP, the Director of the Office of Pipeline Safety held an informal hearing to consider CNP's request for waiver of 49 CFR 192.939 adopted under MS 299F.57 Subdivision 1a; this hearing was held on Friday, May 6, 2011.

### Waiver Granted by Minnesota Office of Pipeline Safety

After considering CNP's waiver request and comments from Pipeline Safety Engineers, the Director granted CenterPoint Energy's requested waiver, consistent with his authority under 49 USC 60118(d) and MS 299.57 Subdivision 5. Consistent with its authority under 49 USC 60118(d), please notify MNOPS, in writing, of any objection to this waiver within 60 days of receipt of this letter. Otherwise, the above requested waiver will become effective 60 days from receipt of this notification.

The end of the reassessment interval for the MBLNE Segment is August 7, 2011. CNP did not request the waiver at least 180 days before the end of the required reassessment interval as required by 49 CFR §192.943(b); however, local product supply issues make the period impractical and CNP requested the waiver as soon as the need for the waiver became known.

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Marshal

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**Terms and Conditions of the Waiver**

To ensure that the waiver is consistent with pipeline safety, CNP shall perform leak surveys and patrol both waived segments every other week, not to exceed 14 days for the duration of the waiver. Any leaks found through the enhanced leak survey shall be reported to the Minnesota Office of Pipeline Safety (MNOPS) and shall be repaired within 14 days; all permanent repairs must be completed within 21 days. Prior to the effective date of the waiver, CNP shall add the enhanced leak detection, patrolling and repair procedures to its Operations and Maintenance manual. Failure to comply with any of the terms and conditions of the waiver may result in immediate termination of the waiver and subject CNP to enforcement. Additional safety requirements may be imposed if the commissioner determines that alternate safety measures are necessary to ensure the safe operation of CNP's pipeline in the waiver area.

**Reasons for Waiver**

The above waiver is being granted because local product supply would be affected if CNP conducts pressure testing within the required interval. Furthermore, leak detection and patrolling at a rate over 30 times as often as required under 49 CFR §192.705 and 49 CFR §192.706 will provide an equal or greater level of safety as would be provided by a one-time pressure test.

If you have any further questions concerning this action, please contact Elizabeth Skalnek, Chief Engineer, at 651-201-7239.

Sincerely

A handwritten signature in black ink, appearing to read "Mona Dohman". The signature is written in a cursive, flowing style.

Mona Dohman  
Commissioner

## **Attachment 1: Authority**

Minnesota Statutes (MS) 299F.57 Subdivision 5. Waiver. Upon application by any person engaged in the transportation of gas or the operation of pipeline facilities, the commissioner may, after notice and opportunity for hearing and under such terms and conditions and to such extent as the commissioner deems appropriate, waive in whole or in part compliance with any standards established under sections 299F.56 to 299F.64, on determining that a waiver of compliance with such standard is not inconsistent with gas pipeline safety. The commissioner shall state the reasons for any such waiver. MS299F.56 Subdivision 7 defines the "Commissioner" as "the commissioner of public safety, acting through the director of pipeline safety".

49 CFR §192.943(a)(2) Waiver from reassessment interval in limited situations. In the following limited instances, OPS may allow a waiver from a reassessment interval required by § 192.939 if OPS finds a waiver would not be inconsistent with pipeline safety. Maintain product supply. An operator may be able to justify a longer reassessment period for a covered segment if the operator demonstrates that it cannot maintain local product supply if it conducts the reassessment within the required interval.

49 CFR §192.943(b) How to apply. If one of the conditions specified in paragraph (a) (1) or (a) (2) of this section applies, an operator may seek a waiver of the required reassessment interval. An operator must apply for a waiver in accordance with 49 U.S.C. 60118(c), at least 180 days before the end of the required reassessment interval, unless local product supply issues make the period impractical. If local product supply issues make the period impractical, an operator must apply for the waiver as soon as the need for the waiver becomes known.

49 U.S.C 60118(c) Waivers by Secretary. On application of a person owning or operating a pipeline facility, the Secretary by order may waive compliance with any part of an applicable standard prescribed under this chapter on terms the Secretary considers appropriate, if the waiver is not inconsistent with pipeline safety. The Secretary shall state the reasons for granting a waiver under this subsection. The Secretary may act on a waiver only after notice and an opportunity for a hearing.

49 U.S. C. 60118(d) Waivers by State Authorities. - If a certification under section 60105 of this title or an agreement under section 60106 of this title is in effect, the State authority may waive compliance with a safety standard to which the certification or agreement applies in the same way and to the same extent the Secretary may waive compliance under subsection (c) of this section. However, the authority must give the Secretary written notice of the waiver at least 60 days before its effective date. If the Secretary makes a written objection before the effective date of the waiver, the waiver is stayed. After notifying the authority of the objection, the Secretary shall provide a prompt opportunity for a hearing. The

Secretary shall make the final decision on granting the waiver.