



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

FEB 22 2007

233 Peachtree Street Ste. 600
Atlanta, GA 30303

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 22, 2007

Mr. Larry Clynch
Company Executive Officer
TPM, Inc.
P.O. Box 486
Alpharetta, GA 30009

CPF 2-2007-6003W

Dear Mr. Clynch:

On June 5 - 7, 2006, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your Hazardous Liquid Pipeline facilities and reviewed records in Memphis, Tennessee.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

1. §195.573 What must I do to monitor external corrosion control?

(a) *Protected pipelines.* You must do the following to determine whether cathodic protection required by this subpart complies with §195.571:

(2) Identify before December 29, 2003 or not more than 2 years after cathodic protection is installed, whichever comes later, the circumstances in which a close-interval survey or comparable technology is practicable and necessary to accomplish the objectives of paragraph 10.1.1.3 of NACE Standard RP0169-96 (incorporated by reference, see §195.3).

TPM personnel did not provide a record of this evaluation. Operator personnel asserted they had plans to address this code requirement.

2. §195.575 Which facilities must I electrically isolate and what inspections, tests, and safeguards are required?

(a) You must electrically isolate each buried or submerged pipeline from other metallic structures, unless you electrically interconnect and cathodically protect the pipeline and the other structures as a single unit.

TPM personnel did not provide a record verifying inspection of its electrical isolations. In addition, operator personnel asserted the Dupont station isolation is not working and they have plans to fix it.

3. §195.577 What must I do to alleviate interference currents?

(a) For pipelines exposed to stray currents, you must have a program to identify, test for, and minimize the detrimental effects of such currents.

(b) You must design and install each impressed current or galvanic anode system to minimize any adverse effects on existing adjacent metallic structures.

TPM personnel did not provide a record which verified testing for interference currents or no need for due to analysis of non-exposure to stray currents.

4. §195.406 Maximum operating pressure.

(a) Except for surge pressures and other variations from normal operations, no operator may operate a pipeline at a pressure that exceeds any of the following:
(1) The internal design pressure of the pipe determined in accordance with §195.106. However, for steel pipe in pipelines being converted under §195.5, if one or more factors of the design formula (§195.106) are unknown, one of the following pressures is to be used as design pressure:

(i) Eighty percent of the first test pressure that produces yield under section N5.0 of appendix N of ASME B31.8, reduced by the appropriate factors in §§195.106(a) and (e); or

(ii) If the pipe is 12¾ in (324 mm) or less outside diameter and is not tested to yield under this paragraph, 200 p.s.i. (1379 kPa) gage.

(2) The design pressure of any other component of the pipeline.

(3) Eighty percent of the test pressure for any part of the pipeline which has been pressure tested under Subpart E of this part.

(4) Eighty percent of the factory test pressure or of the prototype test pressure for any individually installed component which is excepted from testing under §195.305.

(5) For pipelines under §§195.302 (b)(1) and (b)(2)(i) that have not been pressure tested under subpart E of this part, 80 percent of the test pressure or highest

operating pressure to which the pipeline was subjected for 4 or more continuous hours that can be demonstrated by recording charts or logs made at the time the test or operations were conducted.

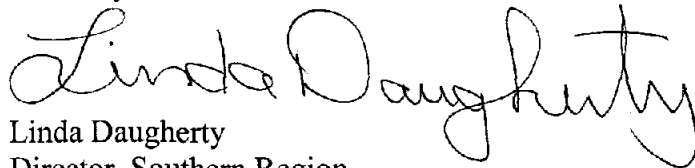
(b) No operator may permit the pressure in a pipeline during surges or other variations from normal operations to exceed 110 percent of the operating pressure limit established under paragraph (a) of this section. Each operator must provide adequate controls and protective equipment to control the pressure within this limit.

TPM personnel did not provide a record of MOP calculation for its pipeline.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violations persists up to a maximum of \$1,000,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the items identified in this letter. Be advised that failure to do so will result in TPM being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to CPF 2-2007-6003W.

Sincerely,



Linda Daugherty
Director, Southern Region
Pipeline and Hazardous Materials Safety Administration