

Aug 16 1982

Mr. Keith E. Bailey
President, Williams Pipe Line Company
P.O. Box 3448
Tulsa, OK 74101

Dear Mr. Bailey:

Your letter dated July 22, 1982, requesting an interpretation of ?195.416, concerning a reduction in operating pressure as a remedy for isolated corrosion pitting.

The enclosed Pipeline Safety Regulatory Interpretation states that a reduction in operating pressure is an acceptable remedy for isolated corrosion pitting under ?195.416(g).

Sincerely,

\signed\

Richard L. Beam
Associate Director for
Pipeline Safety Regulation
Materials Transportation Bureau

Enclosure

No: 82-8
Date: August 16, 1982

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
MATERIALS TRANSPORTATION BUREAU

PIPELINE SAFETY REGULATORY INTERPRETATION

Note: A pipeline safety regulatory interpretation applies a particular rule to a particular set of facts and circumstances, and as such, may be relied upon only by those persons to whom the interpretation is specifically addressed.

SECTION: ??195.416(f) and (g)

SUBJECT: Isolated corrosion pitting.

FACTS: The Williams Pipe Line Company letter dated July 22, 1982, requested an interpretation of the requirements of ??195.416(f) and (g) concerning a reduction in operating pressure as a remedy for isolated corrosion pitting.

QUESTION: Is a reduction in operating pressure a permissible remedy for isolated corrosion pitting?

INTERP: Under ?195.416, operators are required by paragraph (f) to replace, repair, or reduce the operating pressure on pipe that is found to be generally corroded. If isolated pitting of a particular size is found, paragraph (g) requires that the pipe be repaired or replaced. Under literal interpretation of paragraph (g), reduction in operating pressure would not be an allowable remedy for isolated corrosion pitting. Such a result would be illogical, however, since isolated pitting usually is a less serious hazard. Thus, it is reasonable that a remedy for general corrosion should also be allowed for isolated pitting.

The proposed rule and the preamble to the final rule for ??195.416(f) and (g) shed some light on the apparent inconsistency between paragraphs (f) and (g). These paragraphs were derived from a proposed ?180.416(g)(33 FR

10213, July 17, 1968), which would have required that pipe found to be pitted so that the original wall thickness is reduced by 10 percent or more be replaced.

In discussing the differences between the proposed and final rule, the preamble to the final 195.416 stated:

"As indicated in the discussion above on 195.114 with respect to used pipe, the important consideration in evaluating the usability of corroded pipe is the remaining wall thickness, and the requirements of paragraph (f) are reworded in this way. The carriers are also given the option of repairing the pipe in the case of small areas of corrosion. In addition, a new paragraph is added to provide for pitted areas. Under this paragraph, pitted areas need not be repaired or replaced if the pits are of small diameter and the wall thickness at the bottom of the pits is at least 70 percent of the nominal wall thickness."

This explanation of the changes suggests an intent to relax the relatively strict proposed rule by allowing the alternative remedies of repair and reduction in operating pressure, and by easing the threshold beyond which isolated pitting must be treated. In pointing out the significance of remaining wall thickness regarding the safety of corroded pipe, the preambulatory statement gives no indication that the corresponding remedy (reduction in pressure commensurate with wall thickness) should not be applied to isolated pitting. Indeed, reduction in pressure is an appropriate remedy for both types of corroded pipe (isolated and general), as indicated by the standards in 192.485 governing the remedial measures for corroded gas transmission lines. These standards specifically include pressure reduction as a remedy for isolated pitting.

The most reasonable reading of paragraphs (f) and (g) is, therefore, that reduction in operating pressure was intended as a remedy for corroded pipe, including isolated corrosion pitting, and 195.416(g) should be so applied despite the plain language of the rule.

A plausible explanation for the omission of this remedy in the language of paragraph (g) is that it would be very unlikely that operators would choose to bear the cost of reducing pressure solely to correct isolated pitting problems. Pressure reduction would only be cost effective for line sections that are generally corroded,

although they may contain scattered instances of isolated

pitting. In such cases, the isolated pitting may be viewed as part of the general corrosion, and 195.416(f) would apply rather than 195.416(g).

\signed\

Richard L. Beam
Associate Director for
Pipeline Safety Regulation
Materials Transportation Bureau

July 22, 1982

Mr. Melvin A. Judah
Acting Associate Director
for Pipeline Safety Regulations
Materials Transportation Bureau
400 Seventh Street, S.W.
Washington, D.C. 20590

Dear Mel:

As I'm sure you know, we recently entered into a stipulation in regard to a final order on our #1 and #2-6" lines between Rosemount and Minneapolis, Minnesota. A substantial part of the discussion on this stipulation and final order surrounded the possibility of misinterpretation of the provisions of paragraphs 49CFR 195.416(f) and (g) which were incorporated into the final order as item 1(a) and 1(b).

It is obvious to me that the intent of paragraph 49CFR 195.416(g) is to provide relief from the provisions of paragraph 49CFR 195.416(f) under certain limited conditions. Both the sequencing of the paragraphs and their engineering substance support this interpretation. Without paragraph (g) any corrosion would require either line repair or reduction of operating pressure under the terms of paragraph (f). Because isolated pits have less effect on the pressure carrying capability of the pipe than general corrosion, paragraph (g) recognizes that fact and allows unrestricted operation at full operating pressure so long as the isolated pitting is less than 30% of the wall thickness of the pipe. Where it exceeds 30%, repairs must be made in order to continue unrestricted operation. Implicit in these paragraphs is also the recognition that a company, as a practical matter, will always repair isolated pitting because the relatively modest cost to do so is more than supported by the retention of unrestricted operating pressure and capacity.

On the other hand, in a repair program such as the one we are undertaking, the very substantial cost of repair may make a reduction in operating capacity the more prudent choice and this is obviously the one we have elected under the stipulation and order.

My purpose in writing you is to ensure that there is no misinterpretation of item 1(b) in the order. Taken out of context,

it could evolve into a more restrictive repair criteria than item 1(a) even though that clearly is not the intent of the regulation. I would appreciate your early confirmation of my interpretation.

Because we are proceeding in our repair program and are committed to completing the process and restoring the operation to the levels contemplated in the final order as quickly as possible, I would also concurrently request a waiver of 49CFR 195.416(g) in this particular instance. The basis for the waiver would be the specific engineering parameters of the particular repair program we have undertaken which further support our position. For your convenience, I have attached a comprehensive discussion regarding the technical merits of our program which has been prepared by our engineering department. Again, I would appreciate an early response as restoring this line's operating capability is critical to our shippers and our ability to effectively distribute gasolines, heating oils and other refined products and crude oil in the Minnesota market. If you have any questions, don't hesitate to give me a call.

Regards,

\signed\
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Keith E. Bailey, President
Williams Pipe Line Company

Attachment