

**Compliance Inspections – Attachment 4 – Summary of El Paso Natural Gas' Efforts
in the System Integrity Inspection Pilot Program**

Summary of El Paso Natural Gas' Efforts in the System Integrity Inspection Pilot Program

The System Integrity Inspection Pilot Program (SIIPP) was designed to test whether a more broad-based examination of an operator's safety and pipeline integrity programs, including many areas not currently considered during a typical inspection, would result in improved performance. Instead of comprehensive compliance-based inspections, this program was designed such that the SII Team would work cooperatively with the operator to address the most significant pipeline system integrity issues, addressing areas that may not be explicitly or completely addressed by the regulations.

SIIPP Federal Register Notice was published on 12/14/98

OPS received EPNG's Letter of Intent to partner w/OPS on the SII pilot program on 02/01/99

Meetings and Inspections:

- 05/17-19/99 - Preliminary SIIPP meeting
- 07/25-29/99 - Team O&M Inspection
- 08/23-25/99 - EPNG's SIIPP presentation
- 10/19-20/99 - RDs' meet w/EPNG

Sent letter accepting EPNG into SII pilot program on 04/19/00

Meetings and Inspections:

- 04/17-20/00 – Team O&M Inspection
- 05/22-26/00 – Inspected mainlines from the #2 compressor station to Pecos River.
- 05/22-26/00 – Inspected the San Juan River and Gallup districts
- 06/04-09/00 – Review audit and integrity plans for CY 2000
- 06/19-23/00 – Inspected from Plains, TX to Belen, NM and Roswell-Plains complex
- 06/19-23/00 – Inspected from Lear delivery station in OK to Dumas station and from Dimmitt station to Lubbock, TX
- 07/10-14/00 – Inspected the Jal and Waha districts
- 07/18-20/00 – Attend audit and integrity presentation
- Oct/Nov 2000 – Review status of CY2000 work plan; This will be to develop the 2001 work plan

Team O&M Recommendations

- 1) 191.15(b) No time frame for submission of supplemental accident reports
- 2) 192.605(a) Procedures lack time frame for reviewing work performed and making required revisions in accordance with O&M manual
- 3) 192.605(b)(2) No instruction to determine the extent of internal corrosion once internal

corrosion is found

- 4) 192.605(b)(3) Procedures lack time frame for the revision of maps and drawings
- 5) 192.605(b)(8) No time frame for reviewing the work performed in accordance w/O&M.
- 6) 192.605(b)(9) Additional information concerning employee safety while working in excavations was not referenced
- 7) 192.605(c) No instructions for monitoring at sufficient critical locations after an abnormal operation to ensure a return to normal operations
- 8) 192.611 No definite time for beginning the 18-month requirement for the completion of MAOP confirmation or revision due to class change
- 9) 192.614 Time interval for distribution of public education materials along rights-of-way too long
- 10) 192.615 No instructions to personnel regarding the timing of contacts with appropriate public officials in each operating area
- 11) 192.616 Lack of provisions for the distribution of public education materials in other languages
- 12) 192.625(f) No instructions concerning minimum odorant level required when testing gas containing an odorant
- 13) 192.627 No instructions for testing welds made on fittings for hot tapping, prior to making hot tap
- 14) 192.705(a) No instructions concerning the dating of remedial actions or investigations implemented as a result of problems noted by patrolling
- 15) 192.711 Inadequate procedures concerning the venting of internal pipe plugs
- 16) 192.731 No time frame concerning remedial action when testing compressor station ESD
- 17) 192.735 Wrong reference for guidance in locating tanks for combustible mixtures
- 18) 192.739 Inadequate procedures for visual and mechanical inspection and remedial action on regulators and pressure limiting devices
- 19) 192.743 No time frames for completing remedial actions
- 20) 192.751 No instruction to consider the use of temporary signs when trying to prevent accidental ignition

Based on our review, EPNG satisfactorily corrected their O&M procedures to reflect the short-comings identified in the Team O&M inspections.

Recommendation and Best Practices following Site Inspections

- 1) Investigations and remedial actions regarding the Fisher Big Joe Alert Notice currently being performed
- 2) Discussed the need to reinforce the need for technicians to seek approval of compliance personnel prior to changing set points of overpressure protective devices
- 3) Discussed the need to vent regulators to the outside of enclosed structures
- 4) Recommended that personnel improve CP record-keeping
- 5) Discussed placement of signs along rights-of-way at road crossings
- 6) Recommended painting at soil-pipe interfaces
- 7) Recommended the need for a better system for closure and filing of abnormal operation

reports

- 8) Discussed the need for additional instructions and training to improve the timing of reporting and follow-up observations noted by aerial patrols
- 9) Discussed the issue of metal-to-metal braces, particularly, atmospheric corrosion at the interface of pipe and brace

EPNG committed to rectify and enhance their procedures and practices to comply with the above findings. These are follow-up issues with the SII Team.

Comments on Year 2000 Work Plan

- 1) EPNG should review the individual items in the work plan for grouping and consolidation. EPNG should give attention to the categorization of work plan items as addressing its Compliance Assurance Program or its Pipeline Risk/Integrity Management Program. EPNG's suggestion is to look at the use of MAXIMO company-wide for tracking all issues, including O&M, compliance, and corrosion issues.
- 2) Several items included in the work plan illustrate the need for EPNG to have an integrated database for tracking open issues and the status of specific pipeline segments, that could be accessed as necessary by management and other company and contractor personnel.
- 3) EPNG's Compliance Services noted that a memo had been sent to all corrosion protection personnel noting that Paradigm is the official DOT record and must always be used and updated. OPS asked about EPNG's tracking of memos that are sent from the Compliance Services organization regarding the need for corrective actions. This reflects EPNG's need for a consistent, integrated tracking system. EPNG acknowledged this item. The work plan included activities regarding the addition of coating information, leak history, and pipe depth information to "appropriate databases." EPNG noted that "appropriate database" was its Engineering database, and that the database will be accessed by the GeoRef program. EPNG also noted that it is still debating the usefulness or advisability of adding pipe depth information to the database.

EPNG's Other Incidents

- 19860176 Farmington, San Juan, NM; pigging line reservoir failed on 34"x0.406" gathering line; MAOP = 584 psi; Pressure at time of incident was 220 psi; vapors ignited
- 19860177 Farmington, San Juan, NM; failed occurred during welding of new pigging line reservoir identified in above incident
- 19870200 Bloomfield, San Juan, NM; turbine control cab
- 19880144 Bloomfield, San Juan, NM; equipment malfunction
- 19990006 Top of the World, McKinley County; valve failed

EPNG's Internal Corrosion Incidents

19890113 Ignacio, La Plata, CO; drip assembly failed; Line 4A-41; 12.75"x0.258"; MAOP = 500 psi; Pressure at time of incident was 461 psi

19960148 Chaves County, 30 miles north of Roswell County, NM; Line 1300; 30"x0.335"; MAOP = 836 psi; Pressure at time of incident was 719 psi