



STATE OF WASHINGTON

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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(360) 664-1160 • TTY (360) 586-8203

Ref. No. Docket PG-090041

CERTIFIED MAIL

April 9, 2009

Mike Graff
President
Air Liquide Industrial, U.S. LP
2700 Post Oak Blvd
Suite 1800
Houston, TX, 77056

Dear Mr. Graff:

Re: 2009 Hydrogen Pipeline Standard Inspection – Kalama, Washington Facility

We conducted a hydrogen pipeline inspection between March 23-25, 2009 of the Air Liquide, Kalama, Washington facility. The inspection included a records review, operations and maintenance (O&M) manual review, review of the Alcohol/drug Misuse Prevention Plan and inspection of the pipeline facilities.

Our inspection indicates four probable violations as noted in the enclosed report.

Your response needed

Please review the attached report and respond in writing by May 11, 2009. The response should include how and when you plan to bring the probable violations into full compliance.

What happens after you respond to this letter?

The attached report presents staff's decision on probable violations and does not constitute a finding of violation by the commission at this time.

After you respond in writing to this letter, there are several possible actions the commission, in its discretion, may take with respect to this matter. For example, the commission may:

- Issue an administrative penalty under RCW 81.88.040, or
- Institute a complaint, seeking monetary penalties, changes in the company's, practices, or other relief authorized by law, and justified by the circumstances, or
- Consider the matter resolved without further commission action.



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We have not yet decided whether to pursue a complaint or penalty in this matter. Should an administrative law judge decide to pursue a complaint or penalty; your company will have an opportunity to present its position directly to the commissioners.

If you have any questions, please contact Joe Subsits at (360) 664-1322. Please refer to Docket number PG-090041 in any future correspondence regarding this inspection.

Thank you for your cooperation and interest in pipeline safety.

Sincerely,



Anne F. Soiza
Pipeline Safety Director

Enclosure

cc. Eric Thorstenson, Plant Manager, Air Liquide Industrial, U.S. LP
Bobby Skelton, Senior Maintenance Engineer, Air Liquide Industrial, U.S. LP
Charles Harper, Director of National Supply and Pipeline Operations, Air Liquide Industrial,
U.S. LP

UTILITIES AND TRANSPORTATION COMMISSION
2009 Hydrogen Pipeline Safety Inspection
Air Liquide – Kalama Facility
Docket PG-090041

The following probable violations of Title 49, CFR Part 192, 199 and WAC 480-93 were noted as a result of the inspection of the Air Liquide- Kalama, Washington facility. The inspection included a records review, operations and maintenance (O&M) manual review, review of the Alcohol/drug Misuse Prevention Plan and inspection of the pipeline facilities.

PROBABLE VIOLATIONS

1. **49 CFR §192.603(b) General Provisions**

- (b) *Each Operator shall keep records necessary to administer the procedures established under 49 CFR 192.605.*

Finding(s):

49 CFR §192.605(b)(8) requires procedures to periodically review the work done by operator personnel to determine the effectiveness and adequacy of procedures used in normal operation and maintenance and modifying the procedure when deficiencies are found. Air Liquide has a procedure in their O&M manual to comply with this requirement. There were no records presented during the inspection to show that this was done.

2. **WAC 480-93-180 (1) Plans and Procedures**

- (1) *Each gas pipeline company must have and follow a gas pipeline plan and procedures manual for operation, maintenance, inspection and emergency response activities that is specific to the gas pipeline company's system. The manual must include plans and procedures for meeting all applicable requirements of 49 CFR §§ 191, 192 and Chapter 480-93 WAC, and any plans or procedures used by gas pipeline company's associated contractors.*

Finding(s):

A review of Air Liquide's O&M manual revealed that several required items were not included in the O&M manual. These are:

- a. 49 CFR §192.55 Steel Pipe
- b. 49 CFR §192.150 Passage of Internal Inspection Devices
- c. 49 CFR §192.179 Transmission Line Valves
- d. 49 CFR §192.463 External Corrosion Control: Cathodic Protection-(Criteria needs to reflect appendix D considering IR drop)
- e. 49 CFR §192.469 External Corrosion Control: Test Stations
- f. WAC 480-93-013 Covered Tasks

3. **49 CFR §199.202 Alcohol Misuse Plan**

Each operator must maintain and follow a written alcohol misuse plan that conforms to the requirements of this part and DOT Procedures concerning alcohol testing programs. The plan shall contain methods and procedures for compliance with all the requirements of this subpart, including required testing, recordkeeping, reporting, education and training elements.

Finding(s):

A review of Air Liquide's Pipeline Alcohol/Drug Misuse Prevention Plan revealed one missing item. This item is:

- a. 49 CFR §199.225(a)(1) requires post accident testing as soon as practicable.

4. **49 CFR §199.101 (a)(1) Anti-Drug Plan**

(a) Each operator shall maintain and follow a written anti-anti-drug plan that conforms to the requirements of this part and the DOT Procedures. The plan must contain-

- (1) Methods and procedures for compliance with all the requirements of this part, including the employee assistance program.*

Finding(s):

A review of Air Liquide's Pipeline Alcohol/Drug Misuse Prevention Plan revealed missing items. These are:

- a. 49 CFR §199.111(d) requires that because of the possibility that some analysis may deteriorate during storage, the results of a retest are to be reported as confirmation of the original test results if the detected level of the drug are (a) below the DOT established limits and, (b) equal to or greater than the sensitivity of the test.
- b. 49 CFR §199.119(a) requires that the plan make provisions for submitting an annual MIS report to PHMSA no later than March 15 of each year for the prior calendar year.
- c. 49 CFR §199.119(d) requires that if a service agent is used, testing is to be at an appropriate percentage established for the industry and only covered employees are in a random testing pool
- d. 49 CFR §199.119(e) requires that covered employees who perform multi-DOT agency functions count only on the MIS report for the DOT agency under which he or she is randomly tested.