

STANDARD INSPECTION REPORT OF A GAS TRANSMISSION PIPELINE

A completed **Standard Inspection Report** is to be submitted to the Director within 60 days from completion of the inspection. A **Post Inspection Memorandum (PIM)** is to be completed and submitted to the Director within 30 days from the completion of the inspection, or series of inspections, and is to be filed as part of the **Standard Inspection Report**.

Inspection Report		Post Inspection Memorandum	
Inspector/Submit Date: <u>July 23, 2010</u>	Inspector/Submit Date:		
	Peer Review/Date:		
	Director Approval/Date:		
POST INSPECTION MEMORANDUM (PIM)			
Name of Operator: Timberline Energy LLC		OPID #: 32403	
Name of Unit(s):		Unit #(s):	
Records Location:		Activity #	
Unit Type & Commodity: Biogas			
Inspection Type: Operations and Maintenance Manual		Inspection Date(s): March 18, 19, & 22, 2010 and July 22 & 23, 2010	
PHMSA Representative(s): Stephen Lucas DSFM 8715			AFO Days:

Company System Maps (copies for Region Files):	
Validate SMART Data (components, miles, etc): <input type="checkbox"/>	Acquisition(s), Sale or New Construction (submit SMART update): <input type="checkbox"/>
Validate Additional Requirements Resulting From Waiver(s) or Special Permit(s):	

Summary:
 This manual for operations, maintenance, and emergencies appears to be an off the shelf effort that has not been completely tailored to meet the needs of the Timberline LLC operation between the Butler County Landfill and David City. Many sections are truly good but others are copies of regulatory code language that give neither operator personnel or regulatory inspectors illumination on how Timberline LLC intends to comply with the requirements of Title 155 of the Nebraska Administrative Code.

- Findings:**
- There is no Public Awareness Plan as required by 192.616
 - Line 5 of page 1-3 lists the wrong phone number for contacting the Fire Marshal in the event of reporting an incident and does not include numbers for reporting to a pipeline deputy after hours.
 - Line 6 of page 1-3 does not provide for two copies of written reports required by Title 49 of the Code of Federal Regulations, Part 191 to be submitted to the Fire Marshals Office
 - Line 7 of page 1-3 does not make it clear that Title 155 requires two copies of the annual report be sent to the Nebraska State Fire Marshal by a specified time.
 - Line 9 on page 1-5 still directs Safety Related Condition Reports be sent to the Oklahoma Corporation Commission instead to the Nebraska State Fire Marshal as required by Title 155.
 - The plan does not mention tapping pipeline under pressure to either not be performed, or to be performed by a qualified crew as required by 192.627.
 - The plan recites the 192.287 code requirement for Plastic Pipe Joint inspectors to be qualified by appropriate training and experience there is no mention of who decides what training and experience is sufficient.

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Name of Operator: Timberline Energy LLC			
OP ID No. ⁽¹⁾		Unit ID No. ⁽¹⁾	
HQ Address: EN Power Corp. 7916 Northwest 23rd Street #208 Bethany, OK 73008		System/Unit Name & Address: ⁽¹⁾ Timberline Energy LLC 3850 Road R David City, NE, 68632	
Co. Official:	Perry Alburg	Activity Record ID No.:	
Phone No.:	405-745-9511	Phone No.:	
Fax No.:		Fax No.:	
Emergency Phone No.:		Emergency Phone No.:	(402) 942-5100
Persons Interviewed		Title	
Perry Alburg		Manager O&M Services and Timberline Energy, LLC Facility Manager	
Ryan Nelson		Operations Technician	
PHMSA Representative(s) ⁽¹⁾			Inspection Date(s) ⁽¹⁾
Company System Maps (Copies for Region Files):			

Unit Description: Six miles of six inch PE transmission line
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Portion of Unit Inspected: ⁽¹⁾
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For gas transmission pipeline inspections, the attached evaluation form should be used in conjunction with 49 CFR 191 and 192 during PHMSA inspections. For those operators, procedures do not have to be evaluated for content unless: 1) new or amended regulations have been placed in force after the team inspection, or 2) procedures have changed since the team inspection. Items in the procedures sections of this form identified with "*" reflect applicable and more restrictive new or amended regulations that became effective between 03/16/05 and 03/19/10.

¹ Information not required if included on page 1.

49 CFR PART 191

REPORTING PROCEDURES		S	U	N/A	N/C
.605(b)(4)	Procedures for gathering data for incident reporting				
	191.5 Telephonically reporting incidents to NRC (800) 424-8802	x			
	191.15(a) 30-day follow-up written report (Form 7100-2)	x			
	191.15(b) Supplemental report (to 30-day follow-up)	x			
.605(a)	191.23 Reporting safety-related condition (SRCR)	x			
	191.25 Filing the SRCR within 5 days of determination, but not later than 10 days after discovery	x			
	191.27 Offshore pipeline condition reports – filed within 60 days after the inspections			x	
.605(d)	Instructions to enable operation and maintenance personnel to recognize potential Safety Related Conditions	x			

Comments:
No offshore pipeline

49 CFR PART 192

CUSTOMER NOTIFICATION PROCEDURES		S	U	N/A	N/C
.13(c)	.16 Procedures for notifying new customers, within 90 days , of their responsibility for those selections of service lines not maintained by the operator.			x	

NORMAL OPERATING and MAINTENANCE PROCEDURES		S	U	N/A	N/C
.605(a)	.605(a) O&M Plan review and update procedure (1 per year/15 months)	x			
	.605(b)(3) Making construction records, maps, and operating history available to appropriate operating personnel	x			
	.605(b)(5) Start up and shut down of the pipeline to assure operation within MAOP plus allowable buildup	x			
	.605(b)(8) Periodically reviewing the work done by operator's personnel to determine the effectiveness and adequacy of the procedures used in normal operation and maintenance and modifying the procedures when deficiencies are found	x			
	.605(b)(9) Taking adequate precautions in excavated trenches to protect personnel from the hazards of unsafe accumulations of vapors or gas, and making available when needed at the excavation, emergency rescue equipment, including a breathing apparatus and a rescue harness and line	x			
	.605(b)(10) Routine inspection and testing of pipe-type or bottle-type holders			x	
	.605(b)(11) Responding promptly to a report of a gas odor inside or near a building, unless the operator's emergency procedure under §192.615(a)(3) specifically apply to these reports.			x	

Comments:
No service lines not maintained by operator
No Pipe or Bottle type holders
There is an emergency plan

ABNORMAL OPERATING PROCEDURES		S	U	N/A	N/C
.605(a)	.605(c)(1) Procedures for responding to, investigating, and correcting the cause of:				
	(i) Unintended closure of valves or shut downs	x			
	(ii) Increase or decrease in pressure or flow rate outside of normal operating limits	x			

ABNORMAL OPERATING PROCEDURES		S	U	N/A	N/C
	(iii) Loss of communications	x			
	(iv) The operation of any safety device	x			
	(v) Malfunction of a component, deviation from normal operations or personnel error	x			
.605(c)(2)	Checking variations from normal operation after abnormal operations ended at sufficient critical locations	x			
.605(c)(3)	Notifying the responsible operating personnel when notice of an abnormal operation is received	x			
.605(c)(4)	Periodically reviewing the response of operating personnel to determine the effectiveness of the procedures and taking corrective action where deficiencies are found	x			

Comments:

CHANGE in CLASS LOCATION PROCEDURES		S	U	N/A	N/C
.609	Class location study	x			
*	.611 Confirmation or revision of MAOP. Final Rule Pub. 10/17/08, eff. 12/22/08.	x			

Comments:

CONTINUING SURVEILLANCE PROCEDURES		S	U	N/A	N/C
.613(a)	Procedures for surveillance and required actions relating to change in class location, failures, leakage history, corrosion, substantial changes in CP requirements, and unusual operating and maintenance conditions	x			
.613(b)	Procedures requiring MAOP to be reduced, or other actions to be taken, if a segment of pipeline is in unsatisfactory condition	x			

Comments:
Continuing surveillance appears to be both a daily activity in the form of patrolling by the local technician and a periodic review of unusual operating, unusual maintenance

DAMAGE PREVENTION PROGRAM PROCEDURES		S	U	N/A	N/C
.614	Participation in a qualified one-call program, or if available, a company program that complies with the following:				
	(1) Identify persons who engage in excavating	x			
	(2) Provide notification to the public in the One Call area	x			
	(3) Provide means for receiving and recording notifications of pending excavations	x			
	(4) Provide notification of pending excavations to the members	x			
	(5) Provide means of temporary marking for the pipeline in the vicinity of the excavations	x			
	(6) Provides for follow-up inspection of the pipeline where there is reason to believe the pipeline could be damaged	x			
	(i) Inspection must be done to verify integrity of the pipeline	x			
	(ii) After blasting, a leak survey must be conducted as part of the inspection by the operator	x			

Comments:

Comments:

.615	EMERGENCY PROCEDURES			S	U	N/A	N/C
.615(a)(1)	Receiving, identifying, and classifying notices of events which require immediate response by the operator			x			
.615(a)(2)	Establish and maintain communication with appropriate public officials regarding possible emergency			x			
.615(a)(3)	Prompt response to each of the following emergencies:						
	(i) Gas detected inside a building			x			
	(ii) Fire located near a pipeline			x			
	(iii) Explosion near a pipeline			x			
	(iv) Natural disaster			x			
.615(a)(4)	Availability of personnel, equipment, instruments, tools, and material required at the scene of an emergency			x			
.615(a)(5)	Actions directed towards protecting people first, then property			x			
.615(a)(6)	Emergency shutdown or pressure reduction to minimize hazards to life or property			x			
.615(a)(7)	Making safe any actual or potential hazard to life or property			x			
.615(a)(8)	Notifying appropriate public officials required at the emergency scene and coordinating planned and actual responses with these officials			x			
.615(a)(9)	Instructions for restoring service outages after the emergency has been rendered safe			x			
.615(a)(10)	Investigating accidents and failures as soon as possible after the emergency			x			
.615(b)(1)	Furnishing applicable portions of the emergency plan to supervisory personnel who are responsible for emergency action			x			
.615(b)(2)	Training appropriate employees as to the requirements of the emergency plan and verifying effectiveness of training			x			
.615(b)(3)	Reviewing activities following emergencies to determine if the procedures were effective			x			
.615(c)	Establish and maintain liaison with appropriate public officials, such that both the operator and public officials are aware of each other's resources and capabilities in dealing with gas emergencies			x			

Comments:

PUBLIC AWARENESS PROGRAM PROCEDURES (Also in accordance with API RP 1162)			S	U	N/A	N/C
.605(a) *	.616	Public Awareness Program also in accordance with API RP 1162. Amdt 192-99 pub. 5/19/05 eff. 06/20/05.				
	.616(d)	The operator's program must specifically include provisions to educate the public, appropriate government organizations, and persons engaged in excavation related activities on:				
		(1) Use of a one-call notification system prior to excavation and other damage prevention activities;		x		
		(2) Possible hazards associated with unintended releases from a gas pipeline facility;		x		
		(3) Physical indications of a possible release;		x		
(4) Steps to be taken for public safety in the event of a gas pipeline release; and		x				

PUBLIC AWARENESS PROGRAM PROCEDURES (Also in accordance with API RP 1162)		S	U	N/A	N/C
	(5) Procedures to report such an event (to the operator).		x		
.616(e)	The operator's program must include activities to advise affected municipalities, school districts, businesses, and residents of pipeline facility locations.		x		
.616(f)	The operator's program and the media used must be comprehensive enough to reach all areas in which the operator transports gas.		x		
.616(g)	The program conducted in English and any other languages commonly understood by a significant number of the population in the operator's area?		x		
.616(h)	IAW API RP 1162, the operator's program should be reviewed for effectiveness within four years of the date the operator's program was first completed. For operators in existence on June 20, 2005, who must have completed their written programs no later than June 20, 2006, the first evaluation is due no later than June 20, 2010 .			x	

Comments:

15. Public Education

192.616

WE will adopt RP-1162 and this program will be outlined further in the Public Awareness Plan. Once a calendar year not to exceed 15 months, WE will participate in a ROW mailing to be administrated by a designated contractor. This mailing will take place a minimum of every 2 years. See The Public Awareness Plan for further details regarding the written program.

.617	FAILURE INVESTIGATION PROCEDURES	S	U	N/A	N/C
.617	Analyzing accidents and failures including laboratory analysis where appropriate to determine cause and prevention of recurrence	x			

Comments:

.605(a)	MAOP PROCEDURES			S	U	N/A	N/C															
Note: If the operator is operating under a Special Permit, a Waiver or 192.620, the inspector needs to review the special conditions of the Special Permit, Waiver or refer to Attachment 1 for additional .620 requirements.																						
.619	Establishing MAOP so that it is commensurate with the class location			x																		
MAOP cannot exceed the lowest of the following:																						
*	(a)(1) Design pressure of the weakest element, Amdt. 192-103 pub. 06/09/06, eff. 07/10/06			x																		
	(a)(2) Test pressure divided by applicable factor			x																		
*	(a)(3) The highest actual operating pressure to which the segment of line was subjected during the 5 years preceding the applicable date in second column, unless the segment was tested according to .619(a)(2) after the applicable date in the third column or the segment was uprated according to subpart K. Amdt 192-102 pub. 3/15/06, eff. 04/14/06. For gathering line related compliance deadlines and additional gathering line requirements, refer to Part 192 including this amendment.																					
<table border="1"> <thead> <tr> <th>Pipeline segment</th> <th>Pressure date</th> <th>Test date</th> </tr> </thead> <tbody> <tr> <td>--Onshore gathering line that first became subject to this part (other than § 192.612) after April 13, 2006.</td> <td>March 15, 2006, or date line becomes subject to this part, whichever is later.</td> <td>5 years preceding applicable date in second column.</td> </tr> <tr> <td>-- Onshore transmission line that was a gathering line not subject to this part before March 15, 2006.</td> <td></td> <td></td> </tr> <tr> <td>Offshore gathering lines.</td> <td>July 1, 1976.</td> <td>July 1, 1971.</td> </tr> <tr> <td>All other pipelines.</td> <td>July 1, 1970.</td> <td>July 1, 1965.</td> </tr> </tbody> </table>				Pipeline segment	Pressure date	Test date	--Onshore gathering line that first became subject to this part (other than § 192.612) after April 13, 2006.	March 15, 2006, or date line becomes subject to this part, whichever is later.	5 years preceding applicable date in second column.	-- Onshore transmission line that was a gathering line not subject to this part before March 15, 2006.			Offshore gathering lines.	July 1, 1976.	July 1, 1971.	All other pipelines.	July 1, 1970.	July 1, 1965.			x	
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(a)(4) Maximum safe pressure determined by operator.				x																		
(b) Overpressure protective devices must be installed if .619(a)(4) is applicable				x																		

		S	U	N/A	N/C
*	MAOP PROCEDURES				
	(c) The requirements on pressure restrictions in this section do not apply in the following instance. An operator may operate a segment of pipeline found to be in satisfactory condition, considering its operating and maintenance history, at the highest actual operating pressure to which the segment was subjected during the 5 years preceding the applicable date in the second column of the table in paragraph (a)(3) of this section. An operator must still comply with § 192.611. Amdt 192-102 pub. 3/15/06, eff. 04/14/06. For gathering line related compliance deadlines and additional gathering line requirements, refer to Part 192 including this amendment.			x	
*	.620 Refer to Attachment 1 for additional Alternative MAOP requirements				

Comments:
 Rewritten code language.

		S	U	N/A	N/C
.13(c)	PRESSURE TEST PROCEDURES				
	.503 Pressure testing	x			

Comments:

		S	U	N/A	N/C
.13(c)	UPRATING PROCEDURES				
	.553 Uprating			x	

Comments:
 This procedure does not appear to be applicable to this pipeline. It would be a violation of pipeline safety regulations to try to uprate without a proper procedure. This procedure makes some mention of Pipeline installed before 1970 which has no relevance to the operations in Nebraska.

		S	U	N/A	N/C
.605(a)	ODORIZATION of GAS PROCEDURES				
	.625(b) Odorized gas in Class 3 or 4 locations (if applicable) – must be readily detectable by person with normal sense of smell at $\frac{1}{5}$ of the LEL	x			
	.625(f) Periodic gas sampling, using an instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable.	x			

Comments:
 Code copied verbatim.

		S	U	N/A	N/C
.605(a)	TAPPING PIPELINES UNDER PRESSURE PROCEDURES				
	.627 Hot taps must be made by a qualified crew NDT testing is suggested prior to tapping the pipe. Reference API RP 2201 for Best Practices.		x		

		S	U	N/A	N/C
.605(a)	PIPELINE PURGING PROCEDURES				
	.629 Purging of pipelines must be done to prevent entrapment of an explosive mixture in the pipeline				
	(a) Lines containing air must be properly purged.	x			
	(b) Lines containing gas must be properly purged	x			

Comments:

.605(a)	MAINTENANCE PROCEDURES			S	U	N/A/N/C		
	.703(b)	Each segment of pipeline that becomes unsafe must be replaced, repaired, or removed from service		x				
	(c)	Hazardous leaks must be repaired promptly		x				

Comments:

.605(b)	TRANSMISSION LINES - PATROLLING & LEAKAGE SURVEY PROCEDURES			S	U	N/A/N/C													
	.705(a)	Patrolling ROW conditions		x															
	(b)	Maximum interval between patrols of lines:																	
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Class Location</th> <th style="width: 33%;">At Highway and Railroad Crossings</th> <th style="width: 33%;">At All Other Places</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1 and 2</td> <td style="text-align: center;">2/yr (7½ months)</td> <td style="text-align: center;">1/yr (15 months)</td> </tr> <tr> <td style="text-align: center;">3</td> <td style="text-align: center;">4/yr (4½ months)</td> <td style="text-align: center;">2/yr (7½ months)</td> </tr> <tr> <td style="text-align: center;">4</td> <td style="text-align: center;">4/yr (4½ months)</td> <td style="text-align: center;">4/yr (4½ months)</td> </tr> </tbody> </table>	Class Location	At Highway and Railroad Crossings	At All Other Places	1 and 2	2/yr (7½ months)	1/yr (15 months)	3	4/yr (4½ months)	2/yr (7½ months)	4	4/yr (4½ months)	4/yr (4½ months)	x				
	Class Location	At Highway and Railroad Crossings	At All Other Places																
	1 and 2	2/yr (7½ months)	1/yr (15 months)																
	3	4/yr (4½ months)	2/yr (7½ months)																
	4	4/yr (4½ months)	4/yr (4½ months)																
.706	Leakage surveys – 1 year/15 months		x																
	Leak detector equipment survey requirements for lines transporting un-odorized gas																		
(a)	Class 3 locations - 7½ months but at least twice each calendar year		x																
(b)	Class 4 locations - 4½ months but at least 4 times each calendar year					x													

Comments:
No class 4 locations.

.605(b)	LINE MARKER PROCEDURES			S	U	N/A/N/C		
	.707	Line markers installed and labeled as required		x				

Comments:
Procedure

.605(b)	RECORD KEEPING PROCEDURES			S	U	N/A/N/C		
	.709	Records must be maintained:						
	(a)	Repairs to the pipe – life of system		x				
	(b)	Repairs to “other than pipe” – 5 years		x				
(c)	Operation (Sub L) and Maintenance (Sub M) patrols, surveys, tests – 5 years or until next one		x					

Comments:

.605(b)	FIELD REPAIR PROCEDURES		S	U	N/A	N/C
	Imperfections and Damages					
.713(a)	Repairs of imperfections and damages on pipelines operating above 40% SMYS					
	(1) Cut out a cylindrical piece of pipe and replace with pipe of \geq design strength				x	
	(2) Use of a reliable engineering method				x	
.713(b)	Reduce operating pressure to a safe level during the repair				x	
Permanent Field Repair of Welds						
.715	Welds found to be unacceptable under §192.241(c) must be repaired by:					
	(a) If feasible, taking the line out of service and repairing the weld in accordance with the applicable requirements of §192.245 .				x	
	(b) If the line remains in service, the weld may be repaired in accordance with §192.245 if:					
	(1) The weld is not leaking				x	
	(2) The pressure is reduced to produce a stress that is 20% of SMYS or less				x	
	(3) Grinding is limited so that 1/8 inch of pipe weld remains				x	
	(c) If the weld cannot be repaired in accordance with (a) or (b) above, a full encirclement welded split sleeve must be installed				x	
Permanent Field Repairs of Leaks						
.717	Field repairs of leaks must be made as follows:					
	(a) Replace by cutting out a cylinder and replace with pipe similar or of greater design				x	
	(b)(1) Install a full encirclement welded split sleeve of an appropriate design unless the pipe is joined by mechanical couplings and operates at less than 40% SMYS				x	
	(b)(2) A leak due to a corrosion pit may be repaired by installing a bolt on leak clamp				x	
	(b)(3) For a corrosion pit leak, if a pipe is not more than 40,000 psi SMYS , the pits may be repaired by fillet welding a steel plate . The plate must have rounded corners and the same thickness or greater than the pipe, and not more than 1/2D of the pipe size				x	
	(b)(4) Submerged offshore pipe or pipe in inland navigable waterways may be repaired with a mechanically applied full encirclement split sleeve of appropriate design				x	
	(b)(5) Apply reliable engineering method				x	
Testing of Repairs						
.719(a)	Replacement pipe must be pressure tested to meet the requirements of a new pipeline	x				
	(b) For lines of 6-inch diameter or larger and that operate at 20% of more of SMYS , the repair must be nondestructively tested in accordance with §192.241(c)				x	

Comments:
No buried steel pipeline to weld.

.605(b)	ABANDONMENT or DEACTIVATION of FACILITIES PROCEDURES		S	U	N/A	N/C
	.727(b)	Operator must disconnect both ends, purge, and seal each end before abandonment or a period of deactivation where the pipeline is not being maintained. Offshore abandoned pipelines must be filled with water or an inert material, with the ends sealed	x			
(c)	Except for service lines, each inactive pipeline that is not being maintained under Part 192 must be disconnected from all gas sources/supplies, purged, and sealed at each end.	x				
(d)	Whenever service to a customer is discontinued, do the procedures indicate one of the following:					

	(2) A mechanical device or fitting that will prevent the flow of gas must be installed in the service line or in the meter assembly	x			
	(3) The customer's piping must be physically disconnected from the gas supply and the open pipe ends sealed	x			
	(e) If air is used for purging, the operator shall ensure that a combustible mixture is not present after purging	x			
*	.727 (g) Operator must file reports upon abandoning underwater facilities crossing navigable waterways, including offshore facilities. Amdt. 192-103 corr. pub 02/01/07, eff. 03/05/07.			x	

Comments:
No underwater facilities.

.605(b) PRESSURE LIMITING and REGULATING STATION PROCEDURES		S	U	N/A	N/C						
.739(a)	Inspection and testing procedures for pressure limiting stations, relief devices, pressure regulating stations and equipment (1 per yr/15 months)		x								
	(1) In good mechanical condition		x								
	(2) Adequate from the standpoint of capacity and reliability of operation for the service in which it is employed		x								
.739(a)	(3) Set to control or relieve at correct pressures consistent with .201(a), except for .739(b).		x								
	(4) Properly installed and protected from dirt, liquids, other conditions that may prevent proper oper.		x								
.739(b)	For steel lines if MAOP is determined per .619(c) and the MAOP is 60 psi (414 kPa) gage or more . . .										
	<table border="1"> <tr> <td>If MAOP produces hoop stress that</td> <td>Then the pressure limit is:</td> </tr> <tr> <td>Is greater than 72 percent of SMYS</td> <td>MAOP plus 4 percent</td> </tr> <tr> <td>Is unknown as a percent of SMYS</td> <td>A pressure that will prevent unsafe operation of the pipeline considering its operating and maintenance history and MAOP</td> </tr> </table>	If MAOP produces hoop stress that	Then the pressure limit is:	Is greater than 72 percent of SMYS	MAOP plus 4 percent	Is unknown as a percent of SMYS	A pressure that will prevent unsafe operation of the pipeline considering its operating and maintenance history and MAOP			x	
If MAOP produces hoop stress that	Then the pressure limit is:										
Is greater than 72 percent of SMYS	MAOP plus 4 percent										
Is unknown as a percent of SMYS	A pressure that will prevent unsafe operation of the pipeline considering its operating and maintenance history and MAOP										
.743	Testing of Relief Devices										
.743	(a) Capacity must be consistent with .201(a) except for .739(b), and be determined 1 per yr/15 mo.			x							
.743	(b) If calculated, capacities must be compared; annual review and documentation are required.			x							
.743	(c) If insufficient capacity, new or additional devices must be installed to provide required capacity.			x							

Comments:
Line 14 of Section 10-10 is a reprint of the code and not a procedure, it gives no instruction how the task is done.
Line 14a of Section 10-10 is a reprint of the code and is not a procedure. It is also not relevant because the overpressure protection is not a relief type system but a redundant monitoring system that must be evaluated by line 14 criteria.

.605(b) VALVE AND VAULT MAINTENANCE PROCEDURES		S	U	N/A	N/C
	Valves				
.745	(a) Inspect and partially operate each transmission valve that might be required during an emergency (1 per yr/15 months)	x			
.745	(b) Prompt remedial action required, or designate alternative valve.	x			
	Vaults				
.749	Inspection of vaults greater than 200 cubic feet (1 per yr/15 months)			x	

Comments:
There are no vaults.

.605(b)		PREVENTION of ACCIDENTAL IGNITION PROCEDURES	S	U	N/A	N/C
.751	Reduce the hazard of fire or explosion by:					
	(a) Removal of ignition sources in presence of gas and providing for a fire extinguisher		x			
	(b) Prevent welding or cutting on a pipeline containing a combustible mixture		x			
	(c) Post warning signs		x			

Comments:

.13(c)		WELDING AND WELD DEFECT REPAIR/REMOVAL PROCEDURES	S	U	N/A	N/C
*	.225	(a) Welding procedures must be qualified under Section 5 of API 1104 or Section IX of ASME Boiler and Pressure Code by destructive test. Amdt. 192-103 pub 06/09/06, eff. 07/10/06.			x	
		(b) Retention of welding procedure – details and test			x	
		Note: Alternate welding procedures criteria are addressed in API 1104 Appendix A, section A.3.				
*	.227	(a) Welders must be qualified by Section 6 of API 1104 (19th Ed., 1999, including errata October 31, 2001; and 20th edition 2007, including errata 2008) or Section IX of ASME Boiler and Pressure Code (2004 ed. Including addenda through July 1, 2005) See exception in .227(b). Amdt. 192-103 pub 06/09/06, eff. 07/10/06; Amdt. 192-103 corr. Pub 02/01/07 eff. 03/05/07; Amdt 195-91 Pub. 4/14/09 eff. 4/14/09. <i>Note: Operator's procedures must specify the edition of API 1104 they are using. Operator may not use both editions, and procedures must be consistent with the edition used.</i>			x	
		(b) Welders may be qualified under section I of Appendix C to weld on lines that operate at < 20% SMYS .			x	
	.229	(a) To weld on compressor station piping and components, a welder must successfully complete a destructive test			x	
		(b) Welder must have used welding process within the preceding 6 months			x	
		(c) A welder qualified under .227(a) –				
	.229(c)	(1) May not weld on pipe that operates at $\geq 20\%$ SMYS unless within the preceding 6 calendar months the welder has had one weld tested and found acceptable under the sections 6 or 9 of API Standard 1104 ; may maintain an ongoing qualification status by performing welds tested and found acceptable at least twice per year , not exceeding 7½ months ; may not requalify under an earlier referenced edition.			x	
		(2) May not weld on pipe that operates at < 20% SMYS unless is tested in accordance with .229(c)(1) or requalifies under .229(d)(1) or (d)(2).			x	
		(d) Welders qualified under .227(b) may not weld unless:				
		(1) Requalified within 1 year/15 months , or			x	
		(2) Within 7½ months but at least twice per year had a production weld pass a qualifying test			x	
	.231	Welding operation must be protected from weather			x	
	.233	Miter joints (consider pipe alignment)			x	
	.235	Welding preparation and joint alignment			x	
	.241	(a) Visual inspection must be conducted by an individual qualified by appropriate training and experience to ensure:			x	
		(1) Compliance with the welding procedure			x	
		(2) Weld is acceptable in accordance with Section 9 of API 1104			x	
		(b) Welds on pipelines to be operated at 20% or more of SMYS must be nondestructively tested in accordance with 192.243 except welds that are visually inspected and approved by a qualified welding inspector if:			x	
		(1) The nominal pipe diameter is less than 6 inches , or			x	
		(2) The pipeline is to operate at a pressure that produces a hoop stress of less than 40% of SMYS and the welds are so limited in number that nondestructive testing is impractical			x	

.13(c)	WELDING AND WELD DEFECT REPAIR/REMOVAL PROCEDURES		S	U	N/A	N/C
.241	(c)	Acceptability based on visual inspection or NDT is determined according to Section 9 of API 1104 . If a girth weld is unacceptable under Section 9 for a reason other than a crack, and if Appendix A to API 1104 applies to the weld, the acceptability of the weld may be further determined under that appendix.			x	
Note: If the alternative acceptance criteria in API 1104 Appendix A are used, has the operator performed an Engineering Critical Assessment (ECA)?						
.245	Repair and Removal of Weld Defects					
	(a)	Each weld that is unacceptable must be removed or repaired. Except for offshore pipelines, a weld must be removed if it has a crack that is more than 8% of the weld length			x	
	(b)	Each weld that is repaired must have the defect removed down to sound metal, and the segment to be repaired must be preheated if conditions exist which would adversely affect the quality of the weld repair. After repair, the weld must be inspected and found acceptable.			x	
	(c)	Repair of a crack or any other defect in a previously repaired area must be in accordance with a written weld repair procedure, qualified under §192.225			x	
Note: Sleeve Repairs – use low hydrogen rod (Best Practices –ref. API 1104 App. B, In Service Welding)						

Comments:
All jurisdictional piping is prefabricated, attached with fasteners, or Plastic.

.13(c)	NONDESTRUCTIVE TESTING PROCEDURES		S	U	N/A	N/C
.243	(a)	Nondestructive testing of welds must be performed by any process, other than trepanning, that clearly indicates defects that may affect the integrity of the weld			x	
	(b)	Nondestructive testing of welds must be performed:				
	(1)	In accordance with a written procedure, and			x	
	(2)	By persons trained and qualified in the established procedures and with the test equipment used			x	
	(c)	Procedures established for proper interpretation of each nondestructive test of a weld to ensure acceptability of the weld under 192.241(c)			x	
	(d)	When nondestructive testing is required under §192.241(b) , the following percentage of each day's field butt welds, selected at random by the operator, must be nondestructively tested over the entire circumference				
	(1)	In Class 1 locations at least 10%			x	
	(2)	In Class 2 locations at least 15%			x	
	(3)	In Class 3 and 4 locations, at crossings of a major navigable river, offshore, and within railroad or public highway rights-of-way, including tunnels, bridges, and overhead road crossings, 100% unless impractical, then 90% . Nondestructive testing must be impractical for each girth weld not tested.			x	
	(4)	At pipeline tie-ins, 100%			x	
	(e)	Except for a welder whose work is isolated from the principal welding activity, a sample of each welder's work for each day must be nondestructively tested, when nondestructive testing is required under §192.241(b)			x	
	(f)	Nondestructive testing – the operator must retain, for the life of the pipeline, a record showing by mile post, engineering station, or by geographic feature, the number of welds nondestructively tested, the number of welds rejected, and the disposition of the rejected welds.			x	

Comments:
Is not requirements required by 192.241

.273(b)		JOINING of PIPELINE MATERIALS		S	U	N/A	N/C
	.281	Joining of plastic pipe					
		<ul style="list-style-type: none"> Type of plastic used 				x	
		<ul style="list-style-type: none"> Proper markings in accordance with §192.63 				x	
		<ul style="list-style-type: none"> Manufacturer 				x	
		<ul style="list-style-type: none"> Type of joint used 				x	
*	.283	Qualified joining procedures for plastic pipe must be in place. Amdt. 192-103 pub. 06/09/06, eff. 07/10/06.		x			
	.285	Persons making joints with plastic pipe must be qualified		x			
	.287	Persons inspecting plastic joints must be qualified			x		

Comments:

None of these requirements are stated in 192.281.

.605(b)		CORROSION CONTROL PROCEDURES		S	U	N/A	N/C
	.453	Are corrosion procedures established and carried out by or under the direction of a qualified person for:					
		<ul style="list-style-type: none"> Design 				x	
		<ul style="list-style-type: none"> Operations 				x	
		<ul style="list-style-type: none"> Installation 				x	
		<ul style="list-style-type: none"> Maintenance 				x	
	.455	(a) For pipelines installed after July 31, 1971 , buried segments must be externally coated and				x	
		(b) cathodically protected within one year after construction (see exceptions in code)					
		(c) Aluminum may not be installed in a buried or submerged pipeline if exposed to an environment with a natural pH in excess of 8 (see exceptions in code)				x	
	.457	(a) All effectively coated steel transmission pipelines installed prior to August 1, 1971 , must be cathodically protected				x	
		(b) If installed before August 1, 1971 , cathodic protection must be provided in areas of active corrosion for: bare or ineffectively coated transmission lines, and bare or coated c/s, regulator sta, and meter sta. piping.				x	
	.459	Examination of buried pipeline when exposed: if corrosion is found, further investigation is required				x	
	.461	Procedures must address the protective coating requirements of the regulations. External coating on the steel pipe must meet the requirements of this part.				x	
	.463	Cathodic protection level according to Appendix D criteria				x	
	.465	(a) Pipe-to-soil monitoring (1 per yr/15 months) or short sections (10% per year, all in 10 years)				x	
		(b) Rectifier monitoring (6 per yr/2½ months)				x	
		(c) Interference bond monitoring (as required)				x	
		(d) Prompt remedial action to correct any deficiencies indicated by the monitoring				x	
	.465	(e) Electrical surveys (closely spaced pipe to soil) on bare/unprotected lines, cathodically protect active corrosion areas (1 per 3 years/39 months).				x	
	.467	Electrical isolation (include casings)				x	
	.469	Sufficient test stations to determine CP adequacy				x	
	.471	Test leads				x	
	.473	Interference currents				x	
	.475	(a) Proper procedures for transporting corrosive gas?		x			
		(b) Removed pipe must be inspected for internal corrosion. If found, the adjacent pipe must be inspected to determine extent. Certain pipe must be replaced. Steps must be taken to minimize internal corrosion.		x			

CORROSION CONTROL PROCEDURES		S	U	N/A	N/C
*	.476 Systems designed to reduce internal corrosion Final Rule Pub. (a) New construction Final Rule Pub. 4/23/07, eff. 5/23/07.	x			
	(b) Exceptions – offshore pipeline and systems replaced before 5/23/07. Final Rule Pub. 4/23/07, eff. 5/23/07.			x	
	(c) Evaluate impact of configuration changes to existing systems. Final Rule Pub. 4/23/07, eff. 5/23/07.			x	
	.477 Internal corrosion control coupon (or other suit. Means) monitoring (2 per yr/7½ months)			x	
	.479 (a) Each exposed pipe must be cleaned and coated (see exceptions under .479(c))	x			
	Offshore splash zones and soil-to-air interfaces must be coated			x	
	(b) Coating material must be suitable	x			
	Coating is not required where operator has proven that corrosion will:				
	(c) (1) Only be a light surface oxide, or	x			
	(2) Not affect safe operation before next scheduled inspection	x			
	.481 (a) Atmospheric corrosion control monitoring (1 per 3 yrs/39 months onshore; 1 per yr/15 months offshore)	x			
	.481 (b) Special attention required at soil/air interfaces, thermal insulation, under disbonded coating, pipe supports, splash zones, deck penetrations, spans over water.	x			
	.481 (c) Protection must be provided if atmospheric corrosion is found (per §192.479).	x			
	.483 Replacement pipe must be coated and cathodically protected (see code for exceptions)			x	
	.485 (a) Procedures to replace pipe or reduce the MAOP if general corrosion has reduced the wall thickness?	x			
	(b) Procedures to replace/repair pipe or reduce MAOP if localized corrosion has reduced wall thickness (unless reliable engineering repair method exists)?	x			
	(c) Procedures to use Rstreng or B-31G to determine remaining wall strength?	x			
.491 Corrosion control maps and record retention (pipeline service life or 5 yrs)	x				

Comments:

All buried pipeline is plastic. More language copied directly for code book.

STATE OF NEBRASKA



Dave Heineman
Governor



STATE FIRE MARSHAL
John Falgione
Fire Marshal

Notice of Probable Violation

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

July 27, 2010

Perry Alburg
Manager O&M Services and Timberline Energy, LLC Facility Manager
EN Power Corp.
7916 Northwest 23rd Street, #208
Bethany, OK 73008

RE: Notice of Probable Violation of Pipeline Safety Regulations – #20100727-N

On July 23, 2010, pursuant to the Nebraska Natural Gas Pipeline Safety Act of 1969, a representative of the Nebraska State Fire Marshal, Fuels Division, Pipeline Safety Section conducted an inspection of the Timberline Energy Operations and Maintenance Manual. As a result of this inspection it appears that you have committed a probable violation of Title 155 Nebraska Administrative Code Chapter 1.001 adopting by reference Pipeline Safety Regulations Title 49, Code of Federal Regulations, Part 191, 192, 199, & 40.

The following details the specific finding of the inspection as they relate to the probable violations. The item in blue is the Part 192 reference and item following in black is our finding.

§192.616 Public Awareness...

(b) The operator's program must follow the general program recommendations of API RP 1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

(d) The operator's program must specifically include provisions to educate the public, appropriate government organizations, and persons engaged in excavation related activities on:

- (1) Use of a one-call notification system prior to excavation and other damage prevention activities;
- (2) Possible hazards associated with unintended releases from a gas pipeline facility;
- (3) Physical indications that such a release may have occurred;
- (4) Steps that should be taken for public safety in the event of a gas pipeline release; and
- (5) Procedures for reporting such an event.

□ MAIN OFFICE
□ DISTRICT A
246 South 14th Street
Lincoln, NE 69508-1804
(402) 471-2027

□ DISTRICT B
438 West Market
Albion, NE 68620-1241
(402) 395-2164

□ DISTRICT C
200 South Silber
North Platte, NE 69101-3200
(308) 535-8181

■ FUELS DIVISION
□ FLST ■ PIPELINE
246 South 14th Street
Lincoln, NE 68508-1804
(402) 471-2027

□ TRAINING DIVISION
2410 North Wheeler Avenue
Suite 112
Grand Island, NE 68801-2358
(308) 385-6892

- (e) The program must include activities to advise affected municipalities, school districts, businesses, and residents of pipeline facility locations.
- (f) The program and the media used must be as comprehensive as necessary to reach all areas in which the operator transports gas.
- (g) The program must be conducted in English and in other languages commonly understood by a significant number and concentration of the non-English speaking population in the operator's area.
- (h) Operators in existence on June 20, 2005, must have completed their written programs no later than June 20, 2006. The operator of a master meter or petroleum gas system covered under paragraph (j) of this section must complete development of its written procedure by June 13, 2008. Upon request, operators must submit their completed programs to PHMSA or, in the case of an intrastate pipeline facility operator, the appropriate State agency.
- (i) The operator's program documentation and evaluation results must be available for periodic review by appropriate regulatory agencies...

It appears Timberline Energy may have committed a probable violation of pipeline safety regulations by not having a public awareness program available for review by the Nebraska State Fire Marshal.

Whenever the State Fire Marshal has reason to believe any person is violating any provision of subsection (1) of section 81-545 of the Nebraska Natural Gas Pipeline Safety Act of 1969 or any regulation under the Nebraska Natural Gas Pipeline Safety Act of 1969, the State Fire Marshal may request the Attorney General of Nebraska to bring an action under section 81-547 of the Nebraska Natural Gas Pipeline Safety Act of 1969 in the district court of the county in which the defendant's principal place of business is located. The district court may impose a civil penalty not to exceed ten thousand dollars for each violation for each day that such violation persists, except that the maximum civil penalty shall not exceed five hundred thousand dollars for any related series of violations. The district court shall have jurisdiction to restrain violations of the Nebraska Natural Gas Pipeline Safety Act of 1969 including the restraint of transportation of gas or the operation of a pipeline facility

We request that Timberline Energy respond to this agency within 30 days of receipt of this letter and reference #20100727-N on the return correspondence. The response may accept the findings and state a plan of action to address the concerns, or the response may disagree with the findings. If Timberline Energy chooses to disagree with the findings, please justify your position in the response.

If you have any questions regarding the substance or propriety of this notice, please contact our office at, Nebraska State Fire Marshal, Pipeline Safety, 246 South 14th Street, Lincoln, NE 68508-1804 or telephone 402-471-9465.



Stephen Lucas, Deputy
Fuels Division, Pipeline Section
Nebraska State Fire Marshal



Clark Conklin, Chief Deputy
Fuels Division
Nebraska State Fire Marshal

TIMBERLINE ENERGY, LLC-BUTLER

Received on:

AUG 26 2010

NE State Fire Marshal

August 23, 2010

Stephen Lucas, Deputy
Fuels and Safety Division, Pipeline Section
Nebraska State Fire Marshal
Pipeline Safety, 246 South 14th Street
Lincoln, NE 68508-1804

RE: Notice of Probable Violation of Pipeline Safety Regulations (reference **20100727-N**)

Timberline Energy, LLC has reviewed the letter we received from your office in reference to the findings of the inspection conducted on July 23, 2010, by the Nebraska State Fire Marshal's Office Pipeline Safety section.

As requested, we have updated the Public Awareness Program manual with the appropriate edits. A copy of the Public Awareness program was sent to you via email on Monday, August 9, 2010 for your records. At the time of your inspection, a hard copy was not printed and filed; however, an electronic copy was available for inspection. As soon as we were aware that a hard copy was not printed out, we immediately addressed the issue. A hard copy has been printed and filed in the main control room of the gas processing facility.

If you have any question please give me a call at 302-943-5868.

Regards,



Perry Alburg
Facility Manager
Timberline Energy
David City, NE

**NEBRASKA STATE FIRE MARSHAL - PIPELINE SAFETY SECTION
FOLLOW-UP INSPECTION:**

Name of Operator:	Timberline Energy LLC	Unit # 39-01-000	Site HQ
Operator Address: Timberline Energy LLC 3850 Road R David City, NE, 68632		Phone Number: (402) 367-6248 Fax Number: Emergency: (402) 942-5100 Federal ID:	
Persons Interviewed	Title	Phone No.	
Ryan Nelson	Facility Manager	(402) 367-6248	
Person conducting Inspection: Stephen Lucas DSFM 8715		Date: 07-28-09	
Description: Code Title 155 Date of Letter: 8-17-2010 Type: Concern Disposition: Closed			
Code Part 192.616 Date of Letter: 7-27-2010 Type: NOPV Disposition: Closed			
Code Part 192.627 Date of Letter: 7-27-2010 Type: Concern Disposition: Closed			
Code Part 192.287 Date of Letter: 7-27-2010 Type: Concern Disposition: Closed			
Portion of Unit Inspected : The manual for operations, maintenance , and emergencies			

Comments:

Changes have been made to the manual to instruct personell to send copies of the annual report to the State Fire Marshal. Changes have been made to send copies of a safety related condition report to the State Fire Marshal if needed. Changes have been made to notify the State Fire Marshal in the event of an incident. Procedures have been adopted to prohibit hot tapping. Procedures have been adopted to specify responsibility for inspection of plastic pipe joints.

STATE OF NEBRASKA



Dave Heineman
Governor

CORRECTION LETTER



STATE FIRE MARSHAL
John Falgione
Fire Marshal

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 3, 2011

Perry Alburg
Manager O&M Services and Timberline Energy, LLC Facility Manager
EN Power Corp.
7916 Northwest 23rd Street #208
Bethany, OK 73008

Subject: July 27, 2010 Notice of Probable Violation – #20100727-N

As a result of actions taken to adopt a public awareness plan and a follow up inspection conducted by this office on December 22, 2010 the issue raised in a Notice of Probable Violation has been resolved.

§192.616 Public Awareness

If you have any questions regarding the substance or propriety of this notice, please contact our office at, Nebraska State Fire Marshal, Pipeline Safety, 246 South 14th Street, Lincoln, NE, 68508-1804 or telephone 402-471-9465.

Stephen Lucas, Deputy
Fuels Division, Pipeline Section
Nebraska State Fire Marshal

Clark Conklin, Chief Deputy
Fuels Division
Nebraska State Fire Marshal

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