

Supplemental Report

NEBRASKA STATE FIRE MARSHAL - PIPELINE SAFETY DIVISION

Company: Fremont Utilities Date: 10/30/2012
Town: Cedar Bluffs Municipal NG Distribution SFM ID #: 09-01-147
Manager: Kirk Hillrichs Phone: (402) 721-2661

PERSONS INTERVIEWED:

Person	Title	Phone
Kirk Hillrichs	Fremont Utilities Gas System Supervisor	(402) 721-2661

BODY OF REPORT:

On October 29, 2012 reviewing my notes on the Cedar Bluffs field inspection I observed a difference between my noted MAOP for the Main segment between the Northern Natural Gas TBS and the Fremont Utilities District Regulator station. I arranged with Kirk HILLRICHS to inspect the MAOP calculation sheet at the Fremont Utilities Operations and Maintenance Complex at 3100 First Street. At the First Street Facility I observed that the Cedar Bluffs MAOP calculation sheet appeared to establish the MAOP at 30 psig. I informed HILLRICHS of what I had found and told him a Notice of Probable Violation would be issued. HILLRICHS said he would reply in writing establishing his case for the 32 psig. MAOP on the Main Segment.

CONCLUSION

A Notice of Probable Violation will be issued to Fremont Utilities.

By DSFM 8715 Stephen Lucas

End of Report.

STATE OF NEBRASKA



Notice of Probable Violation

Dave Heineman
Governor

STATE FIRE MARSHAL
John Falgione
Fire Marshal

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

October 31, 2012

Kirk Hillrichs, Gas System Supervisor
Fremont Utilities
400 East Military Avenue
P. O. Box 1468
Fremont, NE 68026-1468

RE: Fremont Utilities Gas Department records inspection

On October 29, 2012, pursuant to the Nebraska Natural Gas Pipeline Safety Act of 1969, a representative of the Nebraska State Fire Marshal's Office Pipeline Safety section conducted an inspection of Fremont Utilities Gas Department Maximum Allowable Operating Pressure (MAOP) calculation sheets. As a result of this inspection it appears 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 it relates to our concern. The item in blue is the Part 192 reference and item following in black is our finding.

§192.605 Procedural manual for operations, maintenance, and emergencies

(a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response...

Fremont Utilities Gas Department Division Six operating procedures, 6.2 *The utility will establish maximum allowable operating pressure for steel or plastic pipelines as prescribed in 49 CFR 192.619 and 192.621...*, has not been followed. The MAOP calculation sheet lists the MAOP for the 2" iron pipe sized (ips) steel segment of main between the Northern Natural Gas Town Border Station as 30 pounds per square inch gage (psig) and the pressure at the Fremont Utilities Gas Department District Regulator Station was found to be 31.5 psig.

□ MAIN OFFICE
□ DISTRICT A
246 South 14th Street
Lincoln, NE 68508-1804
(402) 471-2027

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

□ DISTRICT C
200 South Silber
North Platte, NE 69101-4219
(308) 535-8181

■ FUELS DIVISION
□ FLST ■ Pipeline
246 South 14th Street
Lincoln, NE 68508-1804
(402) 471-9465

□ TRAINING DIVISION
2410 North Wheeler Avenue
Suite 112
Grand Island, NE 68801-2376
(308) 385-6892

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 Fremont Utilities Department of Gas respond to this Notice of Probable Violation within 30 days of receipt of this letter and reference 20121031-N on the return correspondence to our office. The response may accept the findings and state a plan of action to address the concerns or, the response may disagree with the finding. If Fremont Utilities 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 402-471-9664.



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



Clark Conklin, Chief Deputy
Fuels Division
Nebraska State Fire Marshal

cc. Derril Marshall, Utilities General Manager
Fremont Utilities
400 E. Military Avenue
P.O. Box 1468
Fremont, NE 68026-1468



FREMONT

Department of Utilities



Operated by the
Board of Public Works

400 EAST MILITARY AVENUE • FREMONT, NE 68025-5141
BUSINESS PHONE 402-727-2600 • FAX PHONE 402-727-2667

November 13, 2012

Mr. Clark Conklin
Manager Fuels Division
246 South 14th Street
Lincoln NE 68505-1804

Received on:

NOV 15 2012

NE State Fire Marshal

Subject: Probable Violation of Fremont Utilities
Gas Department Division Six Operating
Procedures - Probable Violation Notice
Reference #20121031-N

In response to the notification of the above-subject matter:

The Department of Utilities for the City of Fremont Gas Division has been operating at 32 pounds of pressure since 1977 in the segment of pipe you addressed in your letter of October 31, 2012. We are confident that this is the established MAOP for this pipe. We have reliable records showing that the 32 pounds of pressure has been continuous since 1977. These records have been kept by John Nielsen of the Department of Utilities and submitted annually on the District Regulator Station Annual Test Reports.

In addition to the reports, we have been leak surveying annually on the pipeline in the City of Cedar Bluffs; and, no leaks have been evident during our annual surveys. We are confident that we do not nor will not have a problem with the MAOP requirement of 32 pounds of pressure in the pipeline.

We have discussed this issue with the Deputy Fire Marshal, Steven Lucas; and, have shown him the District Regulator Station Annual Test reports. The most recent discussion was during his inspection of the Fremont Utilities Gas Department maximum allowable pressure (MAOP) calculation sheets.

It appears that the pounds per pressure was misprinted on our Maximum Allowable Operating Pressure (MAOP) calculation sheets for Cedar Bluffs.

Again, based on the history of this pipeline and by our written records, our maximum allowable operating pressure for the pipeline has been maintained at 32 pounds of pressure since 1977.

We are requesting to amend our MAOP to reflect the 32 pounds of pressure that has been in service since 1977.

If there is any further information you may need or any other questions I can answer, please feel free to contact me at 402-727-2661 or email me at kirk.hillrichs@fremontne.gov.

Respectfully submitted,

FREMONT DEPT OF UTILITIES

Kirk Hillrichs
Gas System Supervisor

Cc: Mr. Stephen Lucas, Deputy Fire Marshal
Pipeline Safety Division

Mr. Derril Marshall, General Manager
Fremont Dept of Utilities

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

Name of Operator:	Fremont Utilities	Unit # 09-01-147	Site Cedar Bluffs
Operator Address: 400 E. Military Avenue P.O. Box 1468 Fremont, NE 68026-1468		Phone Number: (402) 727-2661 Fax Number: Emergency: Federal ID: 5613	
Persons Interviewed	Title	Phone No.	
Kirk Hillrichs	Gas System Supervisor	(402) 727-2661	
Person conducting Inspection: Stephen Lucas DSFM 8715		Date: April 14, 2014	
Description: Code 192.605 Date of Letter: 10-31-12 Type: NOPV Disposition: Closed			
Portion of Unit Inspected : Maximum Allowabel Operating Pressure (MAOP) calculation sheet			

Comments:

I inspected the MAOP calculation sheet and found it to be consistant to the operating pressure of the 32 psig line between the town border station and the district regulator station.

STATE OF NEBRASKA



Dave Heineman
Governor

Letter of Approval



Jim Heine
Fire Marshal

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

April 15, 2014

Kirk Hillrichs
Gas System Supervisor
Fremont Utilities
400 East Military Avenue
Fremont, NE 68026

RE: October 31, 2012 Notice of Probable Violation – #20121031-N

As a result of your actions addressing Maximum Allowable Operating Pressure and a follow-up inspection conducted by this office on April 14, 2014 the following issue raised in a "Notice of Probable Violation" is resolved.

§192.605 Procedural manual for operations, maintenance, and emergencies.

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.

Handwritten signature of Stephen Lucas in black ink.

Stephen Lucas
Deputy Fire Marshal
Fuels Division, Pipeline Section

Handwritten signature of Clark Conklin in black ink.

Clark Conklin
Chief Deputy Fire Marshal
Fuels Division

cc: Derril Marshal
Utilities General Manager
Fremont Utilities
400 East Military Avenue
Fremont, NE 68026

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