Memorandum

U. S. Department
of Transportation
Pipeline and
Hazardous Materials
Safety Administration

Subject: **Stay of Enforcement – API 5L and API 1104** Date: December 23, 2008

From: Jeffrey D. Wiese
Associate Administrator for Pipeline Safety

To: PHMSA-Pipeline Region Directors

I am writing to you today to ask you to stay the enforcement of the requirements of 49 CFR §§ 192.7 and 195.3 to use API Specification 5L "Specification for Line Pipe" (43rd edition and errata, 2004), provided API Specification 5L, "Specification for Line Pipe" (44th edition, October 2007) is used in its place.

I am also asking you to stay the enforcement of the requirements of 49 CFR §§ 192.7 and 195.3 to use API 1104 "Welding of Pipelines and Related Facilities" (19th edition, 1999 including Errata October 31, 2001), provided API 1104 "Welding of Pipelines and Related Facilities" (20th edition, October 2005 including Errata/Addendum July 2007) is used in its place.

As outlined below, I believe these actions are in the public's interest as they promptly remove barriers to higher levels of safety during the current surge of pipeline construction.

API Specification 5L, "Specification for Line Pipe"

The Federal pipeline safety regulations at 49 CFR Parts 192 and 195 incorporate by reference numerous consensus standards relating to the design, construction, operation, and maintenance of natural gas and hazardous liquid pipelines. 49 CFR §§ 192.7 and 195.3 currently incorporate by reference the 43rd edition of API Specification 5L "Specification for Line Pipe" (43rd edition and errata, 2004), a standard specification for the manufacture of line pipe.

API has issued a more recent edition of this standard: API Specification 5L, "Specification for Line Pipe" (44th edition, October 2007, and effective October 1, 2008). This new edition includes higher toughness standards, more restrictive pipe dimension limits, more comprehensive inspection methods, and new sour service and offshore pipe specification and inspection requirements. PHMSA staff has reviewed this edition, compared it to the earlier referenced edition, and believes the more recent edition provides a higher level of safety. We intend to incorporate by reference the updated API standard specification discussed above in the normal rulemaking process.

By letters dated September 26, 2008 and December 4, 2008, EVRAZ, Inc. and California Steel Industries, Inc., petitioned PHMSA to allow the use of the 44th edition of API 5L immediately while rulemaking proceeds. The petitioners explained that the failure to allow the use of the newer standard would adversely impact the metallurgy and tolerances of the pipe manufactured in their plants and that the impact was industry-wide. Because of the lead time needed to order steel pipe for major infrastructure projects, the petitioners urged PHMSA to allow the use of the newer standard to avoid adverse impacts on their customers' projects involving thousands of tons of pipe and hundreds of workers. I find that these circumstances justify the stay of enforcement of the earlier edition of API 5L.

API 1104 "Welding of Pipelines and Related Facilities"

49 CFR §§ 192.7 and 195.3 currently incorporate by reference the 19th edition of API 1104 "Welding of Pipelines and Related Facilities" (19th edition, 1999 including Errata October 31, 2001), a standard for welding of pipe.

API has issued a more recent edition of this standard: API 1104 "Welding of Pipelines and Related Facilities" (20th edition, October 2005 including Errata/Addendum July 2007). This new edition of API 1104 includes more conservative acceptance criteria for pipeline welding, in particular for higher strength steels. PHMSA staff has reviewed this edition, compared it to the earlier referenced edition, and believes the more conservative acceptance criteria in the more recent edition provide a higher level of confidence in the quality of welds. We intend to incorporate by reference the updated API 1104 standard in the normal rulemaking process. However, PHMSA staff has determined that allowing the use of the improved welding standard without delay will benefit public safety. I find the above circumstance justifies staying the enforcement of the earlier edition of API 1104.

cc: George Mosinskis (NAPSR)