

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 12, 2012

Mr. Steve Pankhurst
Business Unit Leader
Destin Pipeline Company, LLC
150 West Warrenville Road
Naperville, IL 60563

CPF 2-2012-1002M

Dear Mr. Pankhurst:

On September 12-16, 2011, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) inspected the Destin Pipeline Company, LLC (Destin) Operations, Maintenance and Emergency Manual (OMER) written procedures in Moss Point, Mississippi, pursuant to Chapter 601 of 49 United States Code.

On the basis of the inspection, PHMSA has identified apparent inadequacies within Destin's plans or procedures as described below:

1. §192.707 Line markers for mains and transmission lines.

... (d) Marker warning. The following must be written legibly on a background of sharply contrasting color on each line marker:

(1) The word "Warning," "Caution," or "Danger" followed by the words "Gas (or name of gas transported) Pipeline" all of which, except for markers in heavily developed urban areas, must be in letters at least 1 inch (25 millimeters) high with ¼ inch (6.4 millimeters) stroke.

Destin's procedures for placing and maintaining transmission line markers were inadequate because they did not require line markers for transmission lines to include the words "*Gas (or name of gas transported) Pipeline.*"

Destin's OMER procedure P-192.614, Section XII, Pipeline Permanent Marker Program conveyed: *Marking and identification of BP [includes Destin pipeline] rights of way will be marked and identified in accordance with BP procedures: Specification for Auxiliary Installations (Site Technical Practices STP-43-119 and/or Affiliate Equivalent. The procedure provided to the inspector during the inspection, SP-119 BP Pipelines, N.A. Specification for Auxiliary Installations (SP-119) did not require markers to be marked with the words "*Gas (or name of gas transported) Pipeline.*"*

2. **§192.731 Compressor stations: Inspection and testing of relief devices.**
... (c) **Each remote control shutdown device must be inspected and tested at intervals not exceeding 15 months, but at least once each calendar year, to determine that it functions properly.**

Destin's procedures for recording the results of the inspection and testing of relief devices were inadequate because they did not require sufficient documentation to show that the inspections and/or tests were completed so as to ensure the relief devices functioned properly.

Destin's Maximo work order *Compressor Station ESD Test* did not require that the performance of all location-specific remote control shutdown devices be documented. Moreover, location-specific lists of these shutdown devices were not referenced or included in the work order.

3. **§192.736 Compressor stations: Gas detection.**
... (c) **Each gas detection and alarm system required by this section must be maintained to function properly. The maintenance must include performance tests.**

Destin's procedures for maintaining each gas detection and alarm system to function properly were inadequate because they did not require sufficient documentation to show that gas detection and alarm system performance tests were adequately performed.

Destin's Maximo work order *Gas Detector Functional Check* did not require that the performance of all location-specific alarms (i.e. audible, visual) be documented. Moreover, location-specific lists of these alarms were not referenced or included in the work order.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 45 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that Destin Pipeline Company, LLC maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Wayne T. Lemoi, Director, Office of Pipeline Safety, PHMSA Southern Region. In correspondence concerning this matter, please refer to **CPF 2-2012-1002M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Wayne T. Lemoi
Director, Office of Pipeline Safety
PHMSA Southern Region

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*