

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 27, 2012

Mr. Rick Weyen
Vice President Logistics
Tesoro High Plains Pipeline Company
19100 Ridgewood Parkway
San Antonio, Texas 78259

CPF 3-2012-5027M

Dear Mr. Weyen:

On August 23 – 27, 2010, and August 30 –September 3, 2010, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Tesoro procedures for Operations, Maintenance, and Public Awareness Program in Dickinson, North Dakota.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Tesoro plans or procedures, as described below:

1. §195.436 Security of facilities.

Each operator shall provide protection for each pumping station and breakout tank area and other exposed facility (such as scraper traps) from vandalism and unauthorized entry.

Tesoro did not have adequate written procedures for security of facilities.

Tesoro Operations and Maintenance Manual (O&M), Number OM024, Titled “Security of facilities” states that:

“ Tesoro provides protection for each Pumping Station, Break-Out Tank area, and other exposed facilities (such as scraper traps) from vandalism and unauthorized entry. Appropriate levels of protection will be provided based on the location of the facility and level of risk from vandalism or unauthorized entry. Protection may include fencing, signs, chains, and locks.”

PHMSA’s security of facility regulation cannot be determined on a risk base evaluation. The regulation requires security from vandalism and unauthorized entry at each pumping station and breakout tank area and other exposed facility (such as scraper traps). The phrase “*based on the location of the facility and level of risk*” should be removed from the O&M Number OM024. Also, the phrase “*Protection may include*” should state that “Protection shall include.”

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 [number of days] 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 Tesoro-High Plains Pipeline Company maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to David Barrett, Director, Central Region, Pipeline and Hazardous Materials Safety Administration.

In correspondence concerning this matter, please refer to **CPF 3-2012-5027M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

David Barrett
Director, Central Region
Pipeline and Hazardous Materials Safety Administration

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