

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

July 2, 2013

Mr. Mike McGonagill
Alliance Pipeline L.P.
6385 Old Shady Oak Road
Suite 150
Eden Prairie, MN 55344

CPF 3-2013-1012M

Dear Mr. McGonagill:

On October 20-22, 2011, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Alliance Pipeline L.P. procedures for Public Awareness Program Effectiveness in Eden Prairie, Minnesota.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Alliance Pipeline L.P.'s (Alliance) plans or procedures, as described below:

1. § 192.615 Emergency plans

(c) Each operator shall establish and maintain liaison with appropriate fire, police, and other public officials to:

- (1) Learn the responsibility and resources of each government organization that may respond to a gas pipeline emergency;**
- (2) Acquaint the officials with the operator's ability in responding to a gas pipeline emergency;**
- (3) Identify the types of gas pipeline emergencies of which the operator notifies the officials; and**
- (4) Plan how the operator and officials can engage in mutual assistance to minimize hazards to life or property.**

Alliance's procedures are inadequate because the liaison relationship requirement does not include a capability assessment, does not address who should get the emergency response plan, and does not assess the responsiveness of the emergency responders. In addition, the procedures are inadequate because the phrase "*attention is given to emergency officials*" is not defined in the Public Awareness Plan (PAP).

2. § 192.616 Public awareness.

(a) Except for an operator of a master meter or petroleum gas system covered under paragraph (j) of this section, each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see §192.7).

Alliance's procedures are inadequate because its Public Awareness Plan does not identify the edition of API RP 1162 referenced in the Federal Code it uses.

3. § 192.616 Public awareness.

(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.

Alliance's procedures are inadequate because its Public Awareness Plan does not have a process to determine the affected stakeholder notification areas and distance on either side of its pipeline.

Alliance's procedures are inadequate because its Public Awareness Plan does not identify the frequency for performing an effectiveness evaluation.

Alliance's procedures are inadequate because its Public Awareness Plan statements in section 4.2 through 4.5 use the phrase "*may include*" under the message content for each stakeholder audience. There are certain messages for each stakeholder audience that API 1162 requires. Additionally, in 2010, the *Public Official* and *Emergency Responder* brochures were missing the Emergency Preparedness message as required by API RP 1162.

Alliance's procedures are inadequate because its Public Awareness Plan does not explain how the supplemental elements were identified from the elements listed in section 6.2 of API RP 1162. In addition, the supplemental elements do not identify specific messaging required for stakeholder audience groups during annual reviews. Alliance does not have a process to capture new data for supplemental program enhancements.

Alliance's procedures are inadequate because its Public Awareness Plan does not have a process for an annual implementation review that identifies changes, tracks the changes and tracks the progress in making changes based on the findings.

Alliance's procedures are inadequate because its Public Awareness Plan does not have a process that incorporates the use of the Land Information Systems and Applications (LISA) database for measuring program outreach or how to analyze information by stakeholder.

Alliance's procedures are inadequate because its Public Awareness Plan does not expound on the information being reviewed and analyzed for the effectiveness evaluation review. The process is not adequate for measuring the program's outreach by individual stakeholder audience and measuring the percentage reached by individual stakeholder audience. Further, the Alliance procedures do not measure that intended stakeholder audiences understand and retain the key information of the messages presented as well as demonstrate the intended learned behaviors.

Alliance's procedures are inadequate because its Public Awareness Plan does not have a process to determine the requirement for pretesting of messages.

Alliance's procedures are inadequate because its Public Awareness Plan does not include the process that documents bottom-line result measures.

Alliance's procedures are inadequate because its Public Awareness Plan does not identify program changes based on the results and findings of its program effectiveness evaluation.

4. § 192.616 Public awareness

(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.

Alliance's procedures are inadequate because its Public Awareness Plan does not have a process for identifying other languages, and does not define the terminology, "*significant concentration of non-English speaking stakeholders*".

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 30 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 Alliance Pipeline L.P. 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, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 3-2013-1012M** 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*