



U.S. Department
of Transportation

**Research and
Special Programs
Administration**

400 Seventh Street, S.W.
Washington, D.C. 20590

FEB - 5 2003

Mr. Alvin Keith
President
Amoco Pipeline Company
28100 Torch Parkway, Suite 800
Warrenville IL 60555-3938

RE: CPF No. 4-2000-5007

Dear Mr. Keith:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes a finding of violation and assesses a civil penalty of \$5,000. I acknowledge receipt of and accept your check dated March 27, 2001 in the amount of \$5,000, as payment in full of the civil penalty assessed against Amoco in the Final Order. This case is now closed and no further enforcement action is contemplated with the respect to the matters involved in this case. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. §190.5. Thank you for your cooperation in our joint effort to ensure pipeline safety.

Sincerely,

for
Gwendolyn M. Hill
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
WASHINGTON, DC 20590

_____)
In the Matter of)
)
Amoco Pipeline Company) CPF No.4-2000-5007
)
Respondent.)
_____)

FINAL ORDER

On August 21, 2000, pursuant to 49 U.S.C. § 60117, a representative of the Southwest Region, Office of Pipeline Safety (OPS) initiated an investigation of an incident involving a pipeline operated by Amoco Pipeline Company (Respondent). Respondent failed to give timely telephonic notification to the National Response Center of a release of hazardous liquid that occurred in Leonard, Texas on August 17, 2000. The Director, Southwest Region, OPS, issued to Respondent, by letter dated September 18, 2000, a Notice of Probable Violation and Proposed Civil Penalty (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent violated 49 C.F.R. § 191.5(a) and proposed assessing a civil penalty of \$5,000 for the alleged violation.

In a letter dated October 24, 2000, Respondent submitted a Response to the Notice (Response). Respondent did not contest the allegation of violation but offered an explanation. Respondent did not request a hearing and therefore, has waived its right to one.

FINDINGS OF VIOLATION

The Notice alleges that Respondent violated 49 C.F.R. § 191.5, as Respondent failed to give telephonic notification to the National Response Center (NRC), at the earliest practicable moment, of a release of crude oil that occurred on their East Amoco system. The release occurred in Leonard, Texas at 2:30 p.m. CDT on August 17, 2000. Respondent did not notify NRC until 12:03 p.m. CDT on August 18, 2000, approximately 22 hours after the accident occurred.

Respondent did not contest the alleged violation but explained that it has reviewed its spill reporting guidelines and has reiterated to employees that they are to report releases at the earliest practicable moment. Respondent explained that it faces challenges in reporting because when Respondent first receives notice of a possible release, it often does not have knowledge of the volume of the release or the source of the release. The Respondent further explained that there is some reluctance in reporting to the NRC, as it understands that the greater the number of reports the more frequently it will be inspected.

49 C.F.R. §190.11 provides for informal guidance and interpretive assistance about compliance with pipeline safety regulations, 49 C.F.R. parts 190-199. If Respondent needs clarification, information on, and advice about compliance with pipeline safety regulations, then Respondent should take advantage of §190.11 to resolve ambiguities. Respondent's reservations regarding the reporting requirements do not negate the fact that a violation occurred. Respondent has not shown any circumstance that justifies the failure to report to the NRC in a timely manner. Accordingly, I find Respondent violated 49 C.F.R. §191.5 by failing to give telephonic notification to the National Response Center, at the earliest practicable moment, following discovery of an incident.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

ASSESSMENT OF PENALTY

49 U.S.C. § 60122 and 49 C.F.R. § 190.225 require that, in determining the amount of the civil penalty, I consider the following criteria: nature, circumstances, and gravity of the violation, degree of Respondent's culpability, history of Respondent's prior offenses, Respondent's ability to pay the penalty, good faith by Respondent in attempting to achieve compliance, the effect on Respondent's ability to continue in business, and such other matters as justice may require. The Notice proposed assessing a penalty of \$5,000 for violation of 49 C.F.R. § 191.5

Respondent did not contest the alleged violation and was aware of the requirement to provide telephonic notice to the NRC. On April 15, 1991, an Alert Notice (ALN-91-01) was issued by the Department of Transportation reiterating that telephonic notification should be made within one to two hours after discovery. Nevertheless, Respondent made late telephonic reports on January 19, 2000, April 3, 2000, and May 4, 2000. OPS's ability to take corrective action and/or mitigate potential safety problems is severely hampered by untimely telephonic notification of an incident. Respondent has not shown any circumstance that would have prevented or justified it not taking prompt action to give telephonic notification to the NRC. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$5,000, already paid by Respondent.

Under 49 C.F.R. § 190.215, Respondent has a right to petition for reconsideration of this Final Order. The petition must be received within 20 days of Respondent's receipt of this Final Order and must contain a brief statement of the issue(s). The filing of the petition automatically stays the payment of any civil penalty assessed. All other terms of the order, including any required corrective action, shall remain in full effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Final Order are effective upon receipt.



Stacy Gerard
Associate Administrator
for Pipeline Safety

FEB - 5 2003

Date Issued