

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

May 10, 2016

Mr. Peter A. Micciche
Superintendent, Integrated Projects
ConocoPhillips Alaska, Inc.
P.O. Box 66
Kenai, Alaska 99611

Revised CPF 5-2016-3001W

Dear Mr. Micciche:

It was brought to our attention that the Warning Letter mailed to you on April 11, 2016, referenced Subpart J which is incorrect. We have modified the letter (below) to show the correct Subpart, which is Subpart H.

On October 20-22, 2015, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) inspected your Liquefied Natural Gas (LNG) facilities near Kenai, Alaska. Our inspectors also examined your operation, maintenance, security, and emergency response procedures and records.

As a result of the inspection by PHMSA, it appears that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations, Part 193. The items inspected and probable violation is:

1. **§193.2719 Training: records.**
 - (a) **Each operator shall maintain a system of records which-**
 - (1) **Provide evidence that the training programs required by this subpart have been implemented; and**
 - (2) **Provide evidence that personnel have undergone and satisfactorily completed the required training programs.**

Per §193.2719 (a) of Subpart H, ConocoPhillips Alaska personnel were unable to provide training records for security personnel who worked security shifts at the LNG dock area in 2015. Initial training records were given to PHMSA for the security officer who was working

the duty hours, but the retraining records required by Subpart H, 193.2715 (b) were not provided for the officer at the time of the inspection.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a related series of violations. Also, for LNG facilities, an additional penalty of not more than \$50,000 for each violation may be imposed. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the items identified in this letter. Failure to do so will result in ConocoPhillips being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 5-2016-3001W**. 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).

Sincerely,

For Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 R. Guisinger (#151065)