



U.S. Department
Of Transportation
**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.989.2171

NOTICE OF AMENDMENT

OVERNIGHT EXPRESS MAIL

November 7, 2013

Theopolis Holeman
Group Vice President, US Operations & Services
Spectra Energy Corporation
5400 Westheimer Court
Houston, TX 77056

CPF 1-2013-1021M

Dear Mr. Holeman:

From May 10 to 12, 2011, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code inspected Spectra Energy Corporation's (Spectra) Public Awareness Program titled *Spectra Energy External Communication Plan, U.S. Pipelines, Revised October 20, 2010 (External Communication Plan)*¹, in Houston, Texas.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Spectra's plan, as described below:

1. **§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).**

Spectra's written continuing public education program, *External Communication Plan*, was inadequate because it failed to reference the API RP 1162 edition, as seen in § 192.7.

2. **§192.616 Public awareness.**
 - (a) . . .
 - (b) **The operator's program must follow the general program recommendations of API RP 1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.**

¹ Applicable to Spectra Energy's affiliated Company business units.

Spectra's written continuing public education program, *External Communication Plan*, was inadequate because it failed to follow the general recommendations of API RP 1162 Section 4.12 and assess the unique attributes and characteristic of its pipeline and facilities.

API RP 1162 Section 4.12 Facility Purpose states:

Where appropriate, communication with the affected public and emergency and public officials in proximity to major facilities (such as storage facilities, compressor or pump stations) should include information to promote understanding of the nature of the facility. Operators should communicate general information regarding the facility and product(s) stored or transported through the facility.

The *External Communication Plan* did not identify all of Spectra's pipeline assets. The *External Communication Plan* did not include two of Spectra's business units: Steckman Ridge, LP (OP ID 32380) and Bobcat Gas Storage (OP ID 32396). Furthermore, the *External Communication Plan* and brochures are inconsistent because they reference different names for one business unit – the plan referenced Moss Bluff Hub Partners, LP and the brochure that was mailed to the affected public and emergency and public officials referenced Moss Bluff- Market Hub Partners.

3. §192.616 Public awareness.

(a) . . .

(b) The operator's program must follow the general program recommendations of API RP 1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Spectra's written continuing public education program, *External Communication Plan*, was inadequate because it failed to follow the general recommendations of API RP 1162 Section 3 and assess the unique attributes and characteristics of its pipeline and facilities. Specifically, the *External Communication Plan* did not describe the criteria used to determine stakeholder notification areas, nor did they reference other documentation containing such information.

API RP 1162 Section 3 Stakeholder Audience defines the intended audiences that should be included in the public awareness program. For further explanations and examples, operators are referred to Appendix B of API RP 1162. In Appendix B of API RP 1162, under B.1.1 Affected Public, it states that "transmission pipeline operator should tailor its communication coverage area (buffer) to fit its particular pipeline, location, and potential impact consequences."

During the inspection, Spectra provided third party documentation and verbally explained how it determined notification area. However, *Section III. Stakeholders* of the *External Communication Plan* did not identify and define the buffer/area/boundary/extent of notification used for determining stakeholders that should receive the program's message.

4. §192.616 Public awareness.

(a) . . .

(b) The operator's program must follow the general program recommendations of API RP 1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Spectra's written continuing public education program, *External Communication Plan*, was inadequate because it failed to follow API RP 1162 Section 4.6.2 and assess the unique attributes and characteristics of its pipeline and facilities.

API RP 1162 Section 4.6.2 Transmission Pipeline Mapping, states that “the level of detail provided on the map should, at a minimum, include the line size. . . .” The brochure that Spectra mailed to stakeholders contained a map that did not include the pipeline size(s).

5. §192.616 Public awareness.

(a) . . .

(b) The operator's program must follow the general program recommendations of API RP 1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Spectra’s written continuing public education program, *External Communication Plan*, was inadequate because it failed to follow the general recommendations of API RP 1162 Section 7.1 (g) and assess the unique attributes and characteristics of its pipeline and facilities. Section 7.1(g) states that the written program should include the program evaluation process, including the methodology to be used to perform the evaluation and analysis of the results and criteria for program improvement based on the results of the evaluation.

The *External Communication Plan* did not have a detailed written process on how to determine whether the program has been developed and implemented according to API RP 1162. In addition, the *External Communication Plan* did not have a detailed written process about how to determine whether the actions undertaken in implementation of API RP 1162 are achieving the intended goals and objectives. Overall, the *External Communication Plan* lacked procedures for the evaluations outlined in Section 8 of API RP 1162.

The *External Communication Plan*, Sections IX. Evaluation and X. Effectiveness Measurement, provides general information but lacks details on what criteria or metrics are used for determining if modifications to the program are necessary. Also, Section X. Effectiveness Measurement of the *External Communication Plan* had similar language to that in API RP 1162 but does not specify the specific methodology used by Spectra to evaluate its program.

Additionally, the *External Communication Plan* lacks procedures for the use of feedback cards, a hotline telephone number, and emergency responder questionnaires. Plus, the *External Communication Plan* did not have a documented process for following up on returned/undeliverable messages. Also, the *External Communication Plan* lacks information on how Right-of-Way personnel communicate and relay stakeholder issues/concerns/comments to Spectra personnel responsible for executing the plan.

6. §192.616 Public awareness.

(a) . . .

(b) The operator's program must follow the general program recommendations of API RP 1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Spectra’s written continuing public education program, *External Communication Plan*, was inadequate because it failed to follow the general recommendations of API RP 1162 Section 4.3.2 and assess the unique attributes and characteristics of its pipeline and facilities. Specifically, the brochures that were sent to stakeholders did not provide adequate information about recognizing a pipeline leak.

The brochures that were mailed to the stakeholders did not specify that any one of the signs that were listed in the brochure could constitute a leak. The public awareness materials should clarify that all of these signs does not have to occur to indicate a leak; any one of these signs could indicate a natural gas pipeline leak.

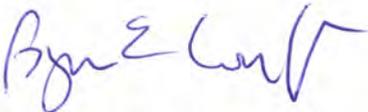
Response to this Notice

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 **90** 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 Spectra maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to, as well as any correspondence relating to this Notice to: Byron Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628. Please refer to **CPF 1-2013-1021M** on each document you submit, and please provide a (signed) copy in electronic format whenever possible. Smaller files may be emailed to Byron.Coy@dot.gov. Larger files should be sent on a CD accompanied by the original (signed) paper copy to the Eastern Region Office.

Sincerely,



Byron Coy, PE
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

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