

## NOTICE OF AMENDMENT

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 7, 2008

Brian Humphreys  
President  
Centurion Pipeline LP  
5 Greenway Plaza, Suite 110  
Houston, TX 77046

**CPF 4-2008-5004M**

Dear Mr. Humphreys:

On August 21-24, 2007 representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Centurion Pipeline LP procedures for Integrity Management in Houston, TX.

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

1. **§195.452 Pipeline integrity management in high consequence areas.**
  - (f) **What are the elements of an integrity management program? An integrity management program begins with the initial framework. An operator must continually change the program to reflect operating experience, conclusions drawn from results of the integrity assessments, and other maintenance and surveillance data, and evaluation of consequences of a failure on the high consequence area. An operator must include, at minimum, each of the following elements in its written integrity management program:**
    - (2) **A baseline assessment plan meeting the requirements of paragraph (c) of this section;**
    - (c) **What must be in the baseline assessment plan?**

**(1) An operator must include each of the following elements in its written baseline assessment plan:**

**(i) The methods selected to assess the integrity of the line pipe. An operator must assess the integrity of the line pipe by any of the following methods. The methods an operator selects to assess low frequency electric resistance welded pipe or lap welded pipe susceptible to longitudinal seam failure must be capable of assessing seam integrity and of detecting corrosion and deformation anomalies.**

**(A) Internal inspection tool or tools capable of detecting corrosion and deformation anomalies including dents, gouges and grooves;**

**(B) Pressure test conducted in accordance with subpart E of this part;**

**(C) External corrosion direct assessment in accordance with §195.588; or**

**(D) Other technology that the operator demonstrates can provide an equivalent understanding of the condition of the line pipe. An operator choosing this option must notify the Office of Pipeline Safety (OPS) 90 days before conducting the assessment, by sending a notice to the address or facsimile number specified in paragraph (m) of this section.;**

A. Centurion must specify the integrity assessment method(s) selected for the Seminole-to-Andrews #1 (8") and #2 (8") integrity assessments that are to be performed in the 3rd/4th Quarter of 2007. Currently, the assessment methods are identified as "TBD".

B. Centurion must provide sufficient specificity to the process for determining if a pipeline containing a longitudinal seam weld deemed susceptible to longitudinal seam in 195.303(d) requires an integrity assessment that specifically assesses the seam for defects to ensure its consistent application.

**2. §195.452 Pipeline integrity management in high consequence areas.**

**(f) An operator must include, at minimum, each of the following elements in its written integrity management program:**

**(3) An analysis that integrates all available information about the integrity of the entire pipeline and the consequences of a failure (see paragraph (g) of this section);**

**(g) *What is an information analysis?* In periodically evaluating the integrity of each pipeline segment (paragraph (j) of this section), an operator must analyze all available information about the integrity of the entire pipeline and the consequences of a failure.**

Section 6.2 of the Centurion IMP plan needs be updated to include the correct information for the Caprock facility from Appendix H. Section 11.12 needs to include a comprehensive listing of risk factors that are at facilities (e.g.; dead legs; manifolds; complexity of operations; low flow piping). Section 9.7 must be revised to ensure that all facilities that can affect an HCA receive an evaluation for the need of Preventive and Mitigative Measures.

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.

In correspondence concerning this matter, please refer to **CPF 4-2008-5004M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

R. M. Seeley  
Director, Southwest Region  
Pipeline and Hazardous  
Materials Safety Administration

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