

## **WARNING LETTER**

### **CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

December 3, 2014

Mr. Troy Valenzuela  
VP, Environmental Health & Safety  
Plains Pipeline, L.P.  
333 Clay Street, Suite 1600  
Houston, TX 77002

**CPF 4-2014-5032W**

Dear Mr. Valenzuela:

Between February 18, 2014 – August 29, 2014, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your procedures, records, and pipeline facilities in the States of Louisiana, Illinois, Oklahoma, New Mexico, and Texas.

As a result of the inspection, it appears that you have committed § 195.404(c) (2) of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation(s) are:

**1. § 195.404 Maps and records.**

**(c) Each operator shall maintain the following records for the periods specified:**

**(2) The date, location, and description of each repair made to parts of the pipeline system other than pipe shall be maintained for at least 1 year.**

Over pressure protection records for the Tussy Station indicated that the set point was found at 0 psi on 8/9/13, but there was no description of the problem identified in the inspection comment

notes for this equipment. Operator stated that the equipment was newly installed at that time, so there would be no previous or “found” pressure set point at the time of the equipment test.

Operator needs to verify pipeline system records include descriptions for each repair or test data that could be interpreted as equipment not operating properly.

**2. § 195.410 Line markers.**

**(a) Except as provided in paragraph (b) of this section, each operator shall place and maintain line markers over each buried pipeline in accordance with the following:**

**(1) Markers must be located at each public road crossing, at each railroad crossing, and in sufficient number along the remainder of each buried line so that its location is accurately known.**

There were not a sufficient number of line markers along each buried pipeline so that their location could be accurately known on the Buffalo pipeline system.

Line markers were needed on the ROW entering the Dove Truck station; on the east side of the Hwy 58 crossing; ROW on west side of MLV – B 011; on top of hill between MLV – B 010 and Hwy 530; and north of Stockholm Station in the direction of Harpers Ranch.

**3. § 195.581 Which pipelines must I protect against atmospheric corrosion and what coating material may I use?**

**(a) You must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere, except pipelines under paragraph (c) of this section.**

**(b) Coating material must be suitable for the prevention of atmospheric corrosion.**

Above ground piping was not properly coated to prevent atmospheric corrosion at different locations on the pipeline system. Piping at the following locations need to be cleaned and coated: 1) Quitman station had paint peeling off; 2) Healdton pump station had coating degradation at the flanges and manifolds; 3) coating degradation at MLV-15, MLV-16, MLV-B 011, MLV-B 09, MLV-B 07 (All Buffalo pipeline system); 4) three pumps at Blaine Station; 5) and newly installed piping had not been painted at Stockholm station.

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. 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 item(s) identified in this letter. Failure to do so will result in Plains Pipeline L.P. 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 4-2014-5032W**. 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,

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