



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

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
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WARNING LETTER

EXPRESS OVERNIGHT MAIL

July 18, 2013

Michael Boczon, VP Terminal Operations
Hess Corporation
One Hess Plaza
Woodbridge, NJ 07095

CPF 1-2013-6002W

Dear Mr. Boczon:

On November 20, 2012, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code met with Hess Corporation (Hess) representatives and inspected the Hess Public Awareness Program in the PHMSA Eastern Region Office in West Trenton, New Jersey.

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

- 1. §195.440 Public awareness.**
 - (a) 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* § 195.3).**

From June 2006 through December 2012, Hess failed to develop and implement a written continuing public education program that followed the guidance provided in API RP 1162 as required by §195.440(a).

On May 19, 2005, a final rule was published in the Federal Register requiring operators to develop public awareness programs no later than June 20, 2006.¹

Hess communicated with the PHMSA inspector about the current status of its North Jersey pipeline. Hess stated in an email that its pipeline was removed of hazardous liquid and purged with nitrogen since August 2005. Hess further stated that its pipeline was disconnected from all active pipelines and facilities. During conversations, Hess indicated that it did not abandon its pipeline and that it considered its pipeline as “inactive” or “idle”.

¹ 70 FR 28833-28843 May 19, 2005.

Following the November 20, 2012 meeting, Hess submitted a plan titled *Amerada Hess Corporation North Jersey/Public Service Pipeline Public Awareness Plan* that was dated December 15, 2004, to the PHMSA inspector via email. In this email, Hess stated that this plan was not fully implemented since there was no residual material in the line. According to Hess, this plan was established in preparation of the amended public awareness regulation.

The PHMSA inspector reviewed the aforementioned plan and noted that the plan refers to a pipeline that is connected to facilities and transports hazardous liquid. In addition, this plan was established for Amerada Hess Corporation, which was later changed to Hess Corporation sometime in 2006.

There was no updated, official plan that reflects the current status of Hess's pipeline from June 2006 to December 2012. Furthermore, Hess had no records or documentation to show that its public awareness plan had been implemented from June 2006 to December 2012.

Subsequently, Hess submitted a plan titled *Hess Corporation North Jersey Pipeline Public Awareness Plan* that was dated December 20, 2012, to the PHMSA inspector via email. This plan reflects the current status of the pipeline but still lacks certain requirements specified in API RP 1162.

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 Hess 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 1-2013-6002W**. 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,

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