

November 30, 2022

**Via E-mail to [Gregory.Ochs@dot.gov](mailto:Gregory.Ochs@dot.gov)**

Mr. Gregory Ochs  
Director, Central Region  
Pipeline and Hazardous Materials Safety Administration  
901 Locust Street, Suite 480  
Kansas City, MO 64106

**Re: CPF 3-2022-025-NOPV: Request for Informal Meeting  
Alternative Request for a Hearing and Preliminary Statement of Issues**

Dear Mr. Ochs,

In response to the above-referenced Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Notice) issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA) on October 14, 2022, TC Oil Pipeline Operations, Inc. (TC Oil) respectfully requests an informal meeting, pursuant to 49 U.S.C. 60117(b)(1)(B), to discuss the allegation of violation in the Notice. TC Oil is optimistic that an informal meeting will allow the parties to appropriately address the issues raised by the Central Region in the Notice.

TC Oil would like to resolve this matter through a consent order pursuant to 49 C.F.R. § 190.219 to avoid a lengthy hearing process. To preserve its rights, TC Oil also submits a Request for Hearing pursuant to 49 C.F.R. §190.211 and as required provides our Preliminary Statement of Issues. TC Oil hopes that the hearing will not be necessary, and all issues can be resolved in the consent order. TC Oil respectfully requests that PHMSA refrain from scheduling a hearing to provide the parties with sufficient time to attempt to informally resolve the Notice.

Please feel free to contact Erik Hughes or Dan Cerkoney with any questions; they can be reached at 402.490.7253 or 701.290.1176, respectively.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Salsman", with a long horizontal flourish extending to the right.

Gary Salsman  
VP, Liquids Field Operations  
TC Oil Pipeline Operations, Inc.

CC: Dan Cerkoney  
Erik Hughes

**U.S. DEPARTMENT OF TRANSPORTATION  
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION  
OFFICE OF PIPELINE SAFETY**

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**In the Matter of** )

**TC Oil Pipeline Operations, Inc.,** )

**CPF No. 3-2022-025-NOPV**

**Respondent.** )  
\_\_\_\_\_ )

**REQUEST FOR HEARING AND PRELIMINARY STATEMENT OF ISSUES IN  
RESPONSE TO NOTICE OF PROBABLE VIOLATION, PROPOSED CIVIL  
PENALTY, AND PROPOSED COMPLIANCE ORDER**

**I. Request for Hearing**

Pursuant to 49 C.F.R. §§ 190.208(a)(4) and 190.211(b), TC Oil Pipeline Operations, Inc. (TC Oil) respectfully requests an in-person hearing to discuss the alleged violation, proposed compliance order, and proposed civil penalty contained in the above-referenced Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (“Notice”) issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA) on October 14, 2022.

**II. Preliminary Statement of Issues**

TC Oil respectfully contests the allegation of violation, proposed civil penalty, and proposed compliance order contained in the Notice.

**A. Notice Item 1- 49 C.F.R. §195.579(a)**

1. Whether TC Oil violated 49 C.F.R. § 195.579(a) as alleged in the Notice.
  - a. Whether TC Oil investigated the corrosive effect of crude oil transported in its pipeline system and took adequate steps to mitigate internal corrosion.
  - b. Proposed Civil Penalty
    - i. Whether the record supports the amount of the Proposed Civil Penalty.
    - ii. Whether the Proposed Civil Penalty calculation is appropriate.
  - c. Proposed Compliance Order

- i. Whether the record supports the need for the Proposed Compliance Order.
- ii. Whether the Proposed Compliance Order, as written, is overbroad, unclear and sets out timeframes that are impracticable.
- iii. Whether the actions TC Oil has already undertaken in response to the release are responsive to the Proposed Compliance Order.

TC Oil reserves the right to supplement this preliminary statement of issues as needed based on any new information or argument provided by PHMSA in this matter.

Respectfully submitted the 30th day of November 2022.



Gary Salsman  
VP, Liquids Field Operations  
TC Oil Pipeline Operations, Inc.