



December 5, 2022

Mr. Gregory A. Ochs, Director
Central Region, Office of Pipeline Safety
U.S. Department of Transportation
Pipeline and Hazardous Material Safety Administration

Re: Bayou Midstream Bakken, LLC (NST Express, LLC) Written Response to Notice of Probable Violation; CPF 3-2022-055-NOPV

Dear Mr. Ochs:

This letter relates to the Notice of Probable Violation (“NOPV”), issued by the Pipeline and Hazardous Materials Safety Administration (“PHMSA”), dated November 8, 2022, alleging certain violations at the crude oil pipeline system between East Fairview, MT and Alexander, ND, that was owned and operated by NST Express, LLC (“NorthStar”) at the time of inspection and is now owned and operated by Bayou Midstream Bakken, LLC (“Bayou”).

Bayou will be making or has already made the following changes to our field operations as a result of each listed Alleged Inadequacy. We appreciate the Pipeline Hazardous Material Safety Administration working with Bayou Midstream the new owners of the NST Express system.

I. Response to Inadequacies

1. **195.452 Pipeline integrity management in high consequence areas.**
 - (a)
 - (b). ***What program and practices must operators use to manage pipeline integrity? Each operator of a pipeline covered by this section must:***
 - (1) **Develop a written integrity management program that addresses the risks on each segment of pipeline....**
 - (5) **Implement and follow the program.**

Alleged Inadequacy: NST failed to follow its integrity management procedure for risk analysis in Section 6 of the Northstar Midstream IMP to evaluate the consequences of a potential pipeline failure, as required by 195.452(f)(3). Specifically, NST failed to evaluate the consequences of a failure at its East Fairview terminal because it did not estimate the extent of dispersion of hazardous materials that could result from a failure of the breakout tanks or piping. During the inspection NST could not provide records demonstrating that an analysis of a potential crude oil release had been conducted.

Response: NST completed the attached study *HCA Study for Facilities Associated with NSTX Pipeline* issued on 1.5.2022. This study details consideration for spills in facilities associated with the pipeline including the East Fairview Terminal. The attached study *Northstar Midstream Services Company, LLC Liquid HCA Analysis* completed on 6.29.2018 details the analysis of a pipeline leak and the impact on HCA areas.

2. **195.563 Which pipelines must have cathodic protection?**
(a) Each buried or submerged pipeline that is constructed, relocated, replaced, or otherwise changed after the applicable date in 195.401(c) must have cathodic protection. The cathodic protection must be in operation not later than 1 year after the pipeline is constructed, relocated, replaced, or otherwise changed, as applicable.

Alleged Inadequacy: NST failed to demonstrate that it had a functional cathodic protection (CP) system installed in its East Fairview station within one year of operation. During the inspection NST provided a map of existing test points on its mainline pipe; however, there were no test points shown within the station. Additionally, PHMSA found from observation that electrical isolation kits had been installed between the mainline and station piping, indicating that the CP system in place for mainline pipe was not designed for the station piping.

The pipeline was fully operational in 2017, however NST failed to install a CP system within one year of operation and could not provide a justification for not installing CP; therefore, NST was operating without adequate CP.

Response: The attached report *Bayou Midstream Fairview Annual Survey Report 2022 COM PAK* details the cathodic protection (CP) system currently on the East Fairview station piping. This survey was completed by Bayou Midstream in July of 2022. There is a CP bond between the NST Express (now called Alexander Connector) pipeline and the Fairview station to supply current to the below grade piping. During the annual survey this past July, fifteen test points at the East Fairview terminal were checked and all fifteen meet the 100mV polarization criteria.

The attached report does recommend that a two-circuit resistive negative bond box be installed at the East Fairview station to control current output to the NST Express (now called Alexander Connector) pipe and the Fairview Station pipe. Bayou is currently working with WBI Energy to have this installed. The anticipated cost for this bond box addition is ~ \$25k as displayed in option 1 of the *Bayou Fairview Station Negative Lead Install Technical Services Quote* attached.

Additionally, attached is the *Bayou Midstream Fairview Rail Terminal Annual Survey 2022 COM PAK* which details additional cathodic protection (CP) surveyed July 2022 at East Fairview as well. All test points checked meet the -850mV polarized potential criteria and exceed the NACE recommended polarization limit of -1100mV.

Bayou Midstream is committed to full compliance with the requirements of PHMSA. I appreciate your consideration in this matter. Please let me know if you have any questions or require additional information.

Sincerely,

A handwritten signature in black ink that reads "Travis W. Roby".

Travis Roby
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