



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

8701 South Gessner, Suite 1110
Houston, TX 77074

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 2, 2012

Mr. Randall L. Curry
President
Chevron Petrochemical Pipeline LLC
4800 Fournace Place
Bellaire, Texas 77401-2324

CPF 4-2012-5033M

Dear Mr. Curry:

During August 13-17 and October 3, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Chevron Petrochemical Pipeline LLC (Chevron) procedures for Operating and Maintenance in Lafayette, Louisiana.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Chevron's plans or procedures, as described below:

1. § 195.402 Procedural manual for operations, maintenance, and emergencies.

(a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.

§ 195.52 Immediate notice of certain accidents.

(b) Information required. Each notice required by paragraph (a) of this section must be made to the National Response Center either by telephone to 800-424-8802 (in Washington, DC, 202-267-2675) or electronically at <http://www.nrc.uscg.mil> and must include the following information:

- (1) Name, address and identification number of the operator.**
 - (2) Name and telephone number of the reporter.**
 - (3) The location of the failure.**
 - (4) The time of the failure.**
 - (5) The fatalities and personal injuries, if any.**
 - (6) Initial estimate of amount of product released in accordance with paragraph (c) of this section.**
 - (7) All other significant facts known by the operator that is relevant to the cause of the failure or extent of the damages.**
- (c) Calculation.** A pipeline operator must have a written procedure to calculate and provide a reasonable initial estimate of the amount of released product.
- (d) New information.** An operator must provide an additional telephonic report to the NRC if significant new information becomes available during the emergency response phase of a reported event at the earliest practicable moment after such additional information becomes known.

Chevron Emergency Operating Procedure within the Core Liquid Pipeline Operating and Maintenance is not adequate to ensure compliance with 195.52. At the time of the inspection, Chevron presented aforementioned procedure intended to cover the requirements of 195.52. Upon review of this procedure, PHMSA inspector noted that section 8.2.1 (6) of this procedure failed to include the following information during Telephonic notifications to the National Response Center and state pipeline safety agencies:

- (6) Initial estimate of amount of product released in accordance with paragraph (c) of this section.**
- (c) Calculation.** A pipeline operator must have a written procedure to calculate and provide a reasonable initial estimate of the amount of released product.

And,

(d) New Information: An operator must provide an additional telephonic report to the NRC if significant new information becomes available during the emergency response phase of a reported event at the earliest practicable moment after such additional information becomes known.

This requirement was amended by Amendment 195-95, 75 FR 72907 on Nov. 26, 2010. Chevron failed to update this procedure during November of 2011 review.

2. §195.402 Procedural manual for operations, maintenance, and emergencies.

(c) *Maintenance and normal operations.* The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:

(3) Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.

§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.

Chevron's pipe repair procedure is found inadequate.

Chevron Procedure MIP-403: Pipe Repair:

Section 5.8.2 states "Prepare the pipe as described in section 5.8 - Mechanical Applied Full Encirclement Sleeves of this procedure". This should read as described in section 5.6 - Pipe Preparation.

Section 5.9.4 states "Prepare the pipe as described in section 5.6 - Mechanical Applied Full Encirclement Sleeves of this procedure". Section 5.6 is Pipe Preparation.

Section 5.10.5 states "Prepare the pipe as described in section 5.6 - Mechanical Applied Full Encirclement Sleeves of this procedure". Section 5.6 is Pipe Preparation.

Section 5.6.2 states "Remove all coating from the section of pipe to be repaired". When the PHMSA inspector reviewed section 5.8 - Mechanical Applied Full Encirclement Sleeves and section 5.9 - Full Encirclement Sleeve (Full Wrap), it does not state the sleeve and adjoining bare pipe must be sealed by using an approved pipe coating prior to backfill and/or it does not reference the Chevron procedure MIP-503 for coating information. Chevron must correct

aforementioned typographic errors and revise the procedure to include installation of approve coating for section 5.8 and 5.9 or make a cross reference of MIP-503.

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.

It is requested (not mandated) that Chevron Petrochemical Pipeline LLC maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to R. M. Seeley, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 4-2012-5033M** 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*