



U.S. Department
of Transportation

**Research and
Special Programs
Administration**

400 Seventh St., S.W.
Washington, D.C. 20590

APR 30 2003

Timothy H. Gordon
Vice President, Operations
Gordon Terminal Services Company
1000 Ella Street
McKees Rocks, Pennsylvania 15136

Re: CPF No. 1-2002-6006
CPF No. 1-2002-6004-M

Dear Mr. Gordon:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced cases. It makes findings of violation and a finding of inadequate procedures, and requires certain corrective action and revision of certain operations, maintenance and emergency procedures. When the terms of the Order are completed, as determined by the Director, Eastern Region, this enforcement action will be closed. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

Gwendolyn M. Hill
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

RECEIVED
APR 30 2003
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C.

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590

In the Matter of)
)
Gordon Terminal Services Company,)
)
)
Respondent.)
_____)
CPF No. 1-2002-6006
CPF No. 1-2002-6004-M

FINAL ORDER

On December 20, 2001 and January 8, 2002, pursuant to 49 U.S.C. § 60117, a representative of the Office of Pipeline Safety (OPS) conducted an on-site pipeline safety inspection of Respondent's facilities and records in McKees Rocks, Pennsylvania. As a result of the inspection, the Director, Eastern Region, OPS, issued to Respondent, by letter dated February 15, 2002, a Notice of Probable Violation, Proposed Compliance Order (Notice 1), and by letter dated February 19, 2002, a Notice of Amendment (Notice 2). In accordance with 49 C.F.R. § 190.207, Notice 1 proposed finding that Respondent had violated 49 C.F.R. §§ 195.505, 199.7 and 199.202 and proposed that Respondent take certain measures to correct the alleged violations. Notice 2 proposed, in accordance with 49 C.F.R. § 190.237, that Respondent amend its procedures for Operations, Maintenance and Emergencies.

Respondent responded to the Notices by letter dated May 7, 2002 (Response). Respondent did not contest the allegations of violation but provided information concerning the corrective actions it was taking. Respondent also requested an extension of time to submit its amended procedures. The Region, in a letter dated May 21, 2002, granted Respondent additional time. Respondent did not request a hearing; consequently, Respondent waived its right to one.

FINDINGS OF VIOLATION

Respondent did not contest the alleged violations for §§ 195.505, 199.7, and 199.202 in Notice 1. Accordingly, I find that Respondent violated the following sections of 49 C.F.R. Parts 195 and 199, as more fully described in Notice 1:

49 C.F.R. § 195.505 -- failing to have a written operator qualification program;

49 C.F.R. § 199.7 -- failing to maintain and follow a written anti-drug plan that conforms to the requirements of Part 199 and the DOT Procedures in Part 40; and

49 C.F.R. § 199.202 -- failing to maintain and follow a written alcohol misuse plan that conforms to the requirements of Subpart B, Part 199 and the DOT Procedures in Part 40.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations.

- (1) Develop a written Operator Qualification (OQ) plan that satisfies the requirements set forth in 49 C.F.R. Part 195, Subpart G.
- (2) Develop and follow a written Drug and Alcohol plan that meets the requirements of 49 C.F.R. Parts 40 and 199.
- (3) Submit a copy of the completed OQ plan and the completed Drug and Alcohol plan to the Eastern Region Director within 90 days of receipt of this Final Order. The address is Office of Pipeline Safety, 400 Seventh Street, SW, Room 7130, Washington, DC 20590.

AMENDMENT OF PROCEDURES

Notice 2 alleged inadequacies in Respondent's Operations, Maintenance and Emergencies Manual and proposed to require amendment of Respondent's procedures to comply with the requirements of 49 C.F.R. §§ 195.402, 403, 404, 406, 408, 410, 414, 416, 420, 422, 426, 428, 430, 434, 438, 440, and 442. Respondent did not contest the proposed Notice of Amendment. Accordingly, I find that Respondent's procedures are inadequate to ensure safe operation of its pipeline system. Pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237, Respondent is ordered to make the following revisions to its procedures. Respondent must -

1. § 195.402 (c)(5) - Develop procedures for analyzing pipeline accidents to determine their causes.
2. § 195.402 (c)(7) - Amend its procedures for start-up and shut-down of the system to include instructions applicable to Airport Services International (ASI) personnel. Procedures should include instructions for proper communication between ASI and Gordon Terminal Services personnel before, during, and after transfer/delivery operations, and steps for valve sequencing and tank gauging.

3. § 195.402 (c)(8) - Develop procedures for facilities not equipped to fail safe to address the monitoring of pipeline pressure during startup and shutdown to assure operation within the maximum operating pressure for the system.
4. § 195.402 (c)(9) - Develop procedures for detecting abnormal operating conditions for facilities not equipped to fail safe in areas that would require immediate response by operating personnel. These conditions can be identified by monitoring pressure, temperature, flow or other appropriate operational data and transmitting this data to an attended location.
5. § 195.402 (c)(11) - Develop procedures for minimizing the likelihood of accidental ignition of vapors in areas where the potential exists for the presence of flammable liquids or gases.
6. § 195.402 (c)(12) - Develop procedures for establishing and maintaining liaison with fire, police, and other appropriate public officials to learn the responsibility and resources of each government organization that may respond to a hazardous liquid pipeline emergency. These procedures must also address the means of communication, the intervals at which the liaison meetings will be conducted, and a description of the information to be exchanged.
7. § 195.402 (c)(13) - Develop procedures to provide for reviewing the work done by operating personnel to determine the effectiveness of the procedures used in normal operation and maintenance.
8. § 195.402 (c)(14) - Develop procedures to protect personnel from hazards of unsafe accumulations of vapor or gas in excavated trenches and making available emergency rescue equipment, including a breathing apparatus and a rescue harness and, when needed at the excavation site.
9. § 195.402 (d)(1-5) - Develop abnormal operating procedures to provide safety when operating design limits have been exceeded. These procedures must address the requirements of § 195.402 (d)(1-5).
10. § 195.402 (e)(1) - Amend its emergency procedures to identify the notices of events that require immediate response by the operator, fire, police, or other responder.
11. § 195.402 (e)(3) - Amend its emergency procedures to be more specific about the types of emergency equipment needed at the scene of an emergency and where the equipment like backhoes, excavators, air compressors, can be located.
12. § 195.402 (e)(6) - Develop emergency procedures to provide instructions for minimizing public exposure to injury and reducing the probability of accidental ignition by assisting with the evacuation of residents and assisting with halting or rerouting the traffic on roads and railroads in the affected area, or taking other appropriate action.

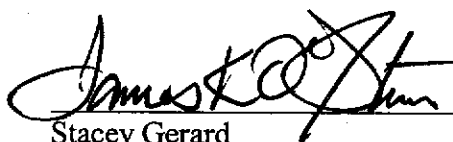
13. § 195.402 (e)(9) - Develop emergency procedures to provide instructions for conducting a post accident review of employees' activities to determine if procedures were effective in each emergency, and for taking corrective action where deficiencies are found.
14. § 195.402(f) - Develop procedures to instruct personnel performing operation and maintenance activities to recognize conditions that potentially may be safety-related and subject to the reporting requirements under § 195.55.
15. § 195.403 - Develop emergency response training procedures to address the requirements of § 195.403.
16. § 195.404 - Develop procedures to address the requirements for maintaining maps and records.
17. § 195.406 - Develop procedures to address the requirements for maximum operating pressure.
18. § 195.408 - Amend its communications procedures to include a means for monitoring operational data as required by § 195.402 (c)(9).
19. § 195.410 - Amend its procedures to specify where line markers have to be located.
20. § 195.414 - Amend its procedures for cathodic protection to address the requirements of § 195.414.
21. § 195.416 - Amend its external corrosion control procedures to address the requirements of § 195.416.
22. § 195.420 - Develop procedures to address the requirements for valve maintenance.
23. § 195.422 - Amend its procedures for pipeline repair to cover material, welding, and testing that is planned for pipeline and tank facilities repairs in the system.
24. § 195.426 - Develop procedures to address the requirements for scraper and sphere facilities to instruct personnel operating these facilities.
25. § 195.428 - Develop procedures for inspecting and testing pressure limiting devices, relief valves, pressure regulators, or other items of pressure control equipment.
26. § 195.430 - Amend its procedures on firefighting equipment to satisfy the requirements of 195.430 and to specify the type of firefighting equipment, location, methods of inspection, and inspection frequencies.

27. § 195.434 - Develop procedures to provide guidance to personnel regarding the placement of signs. In addition, the procedures must specify the information that is required to be visible on the signs.
28. Submit the amended procedures to the Regional Director, Eastern Region, OPS within 30 days following receipt of this Order.
29. The Regional Director may extend the period for complying with the required items if the Respondent requests an extension and adequately justifies the reasons for the extension.

The terms and conditions of this Order are effective upon receipt.

Failure to comply with this Final Order may result in the assessment of civil penalties of up to \$100,000 per violation per day, or in the referral of the case for judicial enforcement.

Under 49 C.F.R. § 190.215, Respondent has a right to petition for reconsideration of this Final Order. The petition must be received within 20 days of Respondent's receipt of this Final Order and must contain a brief statement of the issue(s). The filing of the petition automatically stays the payment of any civil penalty assessed. All other terms of the order, including any required corrective action, remain in full effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Final Order are effective on receipt.



Stacey Gerard
Associate Administrator
for Pipeline Safety

APR 30 2003

Date Issued