



U.S. Department
of Transportation

Eastern Region-PHP-100
Office of Pipeline Safety

409 3rd St S W
Suite 300
Washington, D C 20024

**Pipeline and
Hazardous Materials
Safety Administration**

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 11, 2008

Mr. Charles Denault
Owner
Interstate Storage and Pipeline Company
400 Amherst Street
Suite 202
Nashua, NH 03063

CPF 1-2008-5001M

Dear Mr. Denault:

On October 16-17, 2007, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Interstate Storage and Pipeline Company's (Interstate) procedures for integrity management in Lawrenceville, New Jersey.

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

1. Program Evaluation: Process Approach

§195. 452(f)(7) Methods to measure the program's effectiveness

One area that Interstate has not addressed is a more global view of their IM Plan. The IM plan needs to document that Interstate will use methods to measure whether the program is effective, and to identify trends and/or insights.

Some of these methods include the use of periodic self-assessments, internal/external audits, management reviews, or other self-critical evaluations to assess program effectiveness.

These findings would include a review and follow-up of program evaluation results and recommendations by appropriate company managers. Specified actions would then be implemented or scheduled for implementation.

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 one hundred twenty (120) 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.

In correspondence concerning this matter, please refer to **CPF 1-2008-5001M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



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

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*