



U.S. Department
Of Transportation
**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.989.2171

WARNING LETTER

EXPRESS OVERNIGHT MAIL

November 20, 2013

Mr. James Smoot
Vice President/Manager of Operations
Honeoye Storage Corporation
4511 Egypt Road
Canandaigua, NY 14424

CPF 1-2013-0005W

Dear Mr. Smoot:

Between July 9-12, 2012, inspectors from the New York State Department of Public Service (NYSDPS), acting as agents for the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected the Honeoye Storage Corporation (Honeoye) public awareness program at the Canandaigua, NY facilities

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

1. §192.616 Public awareness

(a) Except for an operator of a master meter or petroleum gas system covered under paragraph (j) of this section, each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see § 192.7).

Honeoye failed to follow the general program recommendations of API RP 1162 Section 8.4.2, that requires an effectiveness survey about every four years.

Honeoye failed to conduct the effectiveness survey within four years after the initiation of its Public Awareness Program.

API RP 1162 Section 8.4.2 Measure 2– Understandability of the Content Message states that:

“Program effectiveness surveys are meant to validate the operator’s methodologies and the content of the materials used. Upon initial survey, improvements should be incorporated into the program based on the results. Once validated in this initial manner, a program effectiveness survey is only required about every four years. However, when the operator introduces major design changes in its Public Awareness Program a survey to validate the new approaches may be warranted...”

Honeoye implemented its Public Awareness Program on June 19, 2006, however it did not conduct its initial effectiveness evaluation until March 29, 2011 which is beyond the four year date required.

2. §192.616 Public awareness

(a) Except for an operator of a master meter or petroleum gas system covered under paragraph (j) of this section, each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see § 192.7).

Honeoye failed to follow the general program recommendations of API RP 1162 Section 8.4.2, that states that operators should pre-test public awareness materials for their appeal, message clarity and understandability.

Honeoye did not pre-test the survey that was sent, evaluate the responses based on the stakeholder groups, or measure the understandability of the message content.

API RP 1162 Section 8.4.2 Measure 2– Understandability of the Content Message states that the:

“Operators should pre-test public awareness materials for their appeal and the messages for their clarity, understandability and retain-ability before they are widely used...”

Honeoye substantiated that it mailed its survey to all of the stakeholders identified on its mailing list. However, the pre-test was not done.

3. §192.616 Public awareness

(a) Except for an operator of a master meter or petroleum gas system covered under paragraph (j) of this section, each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see § 192.7).

Honeoye failed to follow the general program recommendations of API RP 1162 Section 8.4.3, that states that operators should measure the learned or actual behaviors of the intended stakeholder audiences.

API RP 1162 Section 8.4.3 Measure 3—Desired Behaviors by the Intended Stakeholder Audience states that:

“This measure is aimed at determining whether appropriate prevention behaviors have been learned and is taking place when needed and whether appropriate response or mitigation behaviors would occur and have taken place. This is a measure of learned and, if applicable, actual reported behavior...”

Honeoye substantiated that it mailed its survey to all of the stakeholders identified on its mailing list. However, Honeoye did not measure the stakeholder’s learned or actual reported behavior.

4. §192.616 Public awareness

(a) . . .

(i) The operator's program documentation and evaluation results must be available for periodic review by appropriate regulatory agencies.

Honeoye failed to provide documentation under §192.616(i), related to the general program

documentation recommendations under API 1162 Section 7.2 Program Recording, for API RP 1162 Section 4.4.3 recommendations as related to sharing emergency response programs with appropriate officials.

Honeoye did not maintain or provide any documentation substantiating the distribution of emergency response materials to the emergency responders.

API RP 1162, Section 7.2 states that “The operator should maintain records of key program elements to demonstrate the level of implementation of its Public Awareness Program...”

API RP 1162, Section 4.4.3 Emergency Preparedness Response Programs states that “Operators are required by federal regulations to have emergency response programs. These programs should be developed for use internally and externally, with appropriate officials, and in accordance with applicable federal and state emergency regulations...” and that “The operator should include information about how emergency officials can access the operator’s emergency response programs covering their jurisdiction...”

Honeoye’s representative said that Honeoye provided special emergency response information to the emergency responders who cover their territory. However, Honeoye did not retain any documentation supporting these actions.

5. §192.616 Public awareness

(a) . . .

(i) The operator's program documentation and evaluation results must be available for periodic review by appropriate regulatory agencies.

Honeoye failed to provide documentation under §192.616(i), related to the general program documentation recommendations under API 1162 Section 7.2 Program Recording, for API RP 1162 Section 4.4.4 recommendation to establish a liaison with emergency response officials through operator or joint emergency response drills, exercises or deployment practices

The operator did not maintain or provide any documentation substantiating it complied with the API RP 1162, Section 4.4.4 requirements.

API RP 1162, Section 7.2 states that:

“The operator should maintain records of key program elements to demonstrate the level of implementation of its Public Awareness Program...”

API RP 1162, Section 4.4.4 Emergency Preparedness – Drills and Exercises states that:

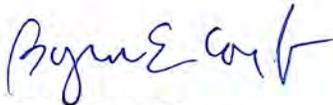
“A supplemental means of two-way communication about emergency preparedness is to establish a liaison with emergency response officials through operator or joint emergency response drills, exercises or deployment practices. Information on “unified command system” roles, operating procedures and preparedness for various emergency scenarios can be communicated effectively and thoroughly through a hands-on drill or exercise...”

Honeoye’s representative stated that Honeoye provided special emergency response information and training/drills as described in the program for the emergency responders who cover their territory. However, Honeoye did not retain any documentation supporting these actions.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the items identified in this letter. Failure to do so will result in Honeoye being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 1-2013-0005W** and address all correspondence in this matter to Byron Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628. You may also email signed correspondence to Byron.Coy@dot.gov. Larger files should be sent on a CD accompanied by the original paper copy to the Eastern Region Office. 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).

Sincerely,



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

Cc: Kevin Speicher, NYSDPS