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

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

NOTICE OF AMENDMENT

OVERNIGHT EXPRESS DELIVERY

September 21, 2016

Mr. Heath Deneke
Chief Operating Officer
Crestwood Midstream Partners, L.P.
700 Louisiana Street, Suite 2550
Houston, TX 77002

CPF 1-2016-1006M

Dear Mr. Deneke:

From June 6 to June 10, 2016, 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, conducted an inspection of Crestwood Midstream Partners, L.P. (Crestwood) Steuben Gas and Thomas Corners Storage facilities in Steuben County, New York.

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

1. §192.605 Procedural manual for operations, maintenance, and emergencies.

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

(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and subpart M of this part.

Crestwood failed to include procedures in its operations and maintenance (O&M) procedural manual for maintenance and performance testing of the gas detection and alarm systems for Crestwood compressor stations in accordance with §192.736(c).

During the inspection, NYSDPS inspectors requested Crestwood's O&M procedures for maintenance and performance testing of gas detection and alarm systems required by §192.736(c). Crestwood could not provide a Crestwood O&M procedure. Crestwood stated that there is no Crestwood procedure, and that the manufacturer's specification is the procedure. Crestwood also stated that it would add a section in its compressor station operation procedure referencing that Crestwood uses the manufacturer's specification.

NYSDPS's review of Crestwood records found that Crestwood's gas detection and alarms are tested quarterly as required by§192.736(c).

Evidence is based on records reviewed and statements made by Crestwood representatives.

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 Crestwood maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Byron E. Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, West Trenton, NJ 08628. In correspondence concerning this matter, please refer to **CPF 1-2016-1006M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Additionally, if you choose to respond to this (or any other case), please ensure that any response letter pertains solely to one CPF case number.

Sincerely,

Byron E Coy

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

Cc: Mr. Kevin Speicher, NYSDPS

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