U.S. Department
of Transportation

**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.771.7800

NOTICE OF AMENDMENT

OVERNIGHT EXPRESS DELIVERY

March 30, 2017

Thomas Collier, Vice President
Performance Assurance and Asset Integrity
Buckeye Partners, L.P.
5 Tek Park
9999 Hamilton Boulevard
Breinigsville, PA 18031

CPF 1-2017-5010M

Dear Mr. Collier:

On September 22, 2015, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code had a conference call with Buckeye Partners, L.P.'s (Buckeye) personnel to discuss its procedure for filing safety-related condition reports (SRCRs) and the SRCR 20150093 dated July 31, 2015 regarding its in-service pipeline, known as Line 762, in Nodaway, Missouri.

Based on the discussion, PHMSA has identified the apparent inadequacy found within Buckeye 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…

   (f) *Safety-related condition reports.* The manual required by paragraph (a) of this section must include instructions enabling personnel who perform operation and maintenance activities to recognize conditions that potentially may be safety-related conditions that are subject to the reporting requirements of §195.55.

Buckeye's *195 O&M Manual – B-02 Safety Related Conditions Updated: 8/15* (*Manual*) did not have adequate instructions to enable personnel who perform operation and maintenance activities

to recognize conditions that potentially may be safety-related conditions that are subject to the reporting requirements of §195.55 in accordance with §195.402(f).

Under §195.55, a SRCR must be filed by an operator when a certain kind of condition(s) involving its in-service pipeline arise in accordance with §195.56. Section 195.56(b)(7) states in part: "This report must… provide the following information… description of the condition…."

Buckeye filed a SRCR regarding a condition involving its Line 762. The PHMSA representative reviewed the SRCR and noted it lacked information about the condition. The SRCR stated:

1. "Type of Condition: Pressure Reduction" and checked off "Pressure Reduction (20% or more)."
2. "the 762 Line was shut down"

There was no description of the condition and it was unclear whether the pipeline was shut down or operating at a reduced pressure.

On September 9, 2015, the PHMSA representative e-mailed Buckeye requesting additional information about the SRCR. In an email dated September 11, 2015, Buckeye provided the responses below and attached a copy of its procedure for safety-related conditions, *195 O&M Manual – B-02 Safety Related Conditions Updated: 8/15 (Manual).*

1. Date and Time of Shut-down: 7/29/2015 @ 05:45 EST
2. Date and Time of Start-up: 8/1/2015 @ 08:06 EST
3. Date and Time of Pressure Reduction: 7/31/2015
4. Type of High Consequence Area: Buckeye's HCA analysis indicates that no HCAs are affected by this location.
5. Remedial Action Taken: The 762 line was shut down… The pipeline was restarted on 8/1/2015 at a reduced operating pressure of 600 psi….

On September 22, 2015, the PHMSA representative had a conference call with Buckeye. During the conference call, the PHMSA representative requested that Buckeye explain the pressure reduction on July 31, 2015. Buckeye stated that the valves were set to the reduced pressure on July 31, 2015. Buckeye also stated that Line 762 was shut down on July 29, 2015, and started up on August 1, 2015, at the reduced pressure. The PHMSA representative also discussed with Buckeye its *Manual* and associated form *195 B-02 Form A - Safety Related Conditions 9/10* (this form is Buckeye's SRCR template).

1. The *Manual, Section 3. Safety-Related Conditions Subsection 3.5* stated "20% or more reduction in operating pressure due to a safety-related condition that could lead to an imminent hazard." Pursuant to §195.55(a)(6), any safety-related condition that could lead to an imminent hazard and causes (either directly or indirectly by remedial action of the operator), for purposes other than abandonment, a 20 percent or more reduction in operating pressure <u>or shutdown of operation of a pipeline</u> (emphasis added). The *Manual* did not include information about shutting down the pipeline. Thus, the *Manual* did not have adequate guidance needed to address shutting down Line 762 or any other pipeline in the SRCR.

2. The *Manual, Section 2. Discovery* defined the word "discovery" as it relates to the requirements in the integrity management rule, referring to in-line inspection tools. The *Manual* did not provide guidance on how personnel would discover a condition on a pipeline that does not fall under the integrity management rule or accommodate an in-line inspection tool.

3. The *Manual, Section 4. Determination* did not define the word "determine." The *Manual* did not make a clear distinction between "determines" and "discovers."

4. The *Manual, Section 6. Reporting Policy, Subsection 6.4* stated that reports "shall be completed to the PHMSA within ten days of discovery and/or five working days of determination (emphasis added)." This statement could be interpreted to mean there is an option for one or the other or both. According to §195.56 (a) a SRCR must be filed within five working days (not including Saturday, Sunday, or Federal Holidays) after the day a representative of the operator first determines that the condition exists, but not later than 10 working days after the day a representative of the operator discovers the condition (emphasis added).

In conclusion, Buckeye's *Manual* did not have adequate instructions to enable personnel who perform operation and maintenance activities to recognize conditions that potentially may be safety-related conditions that are subject to the reporting requirements of §195.55 in accordance with §195.402(f).

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. 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).

Following the receipt of this Notice, you have **30 days** to submit written comments, revised procedures, or a request for a hearing under §190.211. 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 an Order Directing Amendment. If 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. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within **90 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 Buckeye maintain documentation of the safety improvement

costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Robert Burrough, Acting Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, West Trenton, NJ 08628. In correspondence concerning this matter, please refer to **CPF 1-2017-5010M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Robert Burrough
Acting Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

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