



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

September 20, 2018

Ms. Farrah Lowe
Senior Vice President, ESR, Land & Outreach
Crestwood Midstream Partners LP
811 Main Street.
Houston, TX 77002

CPF 1-2018-1021M

Dear Ms. Lowe:

From April 17 to 19, 2018, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Crestwood Midstream Partners LP's (Crestwood) procedures and records for the Stagecoach Underground Natural Gas Storage field in Tioga County, New York.

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

1. §192.12 (e) Underground natural gas storage facilities.

(e) Operators of underground gas storage facilities must establish and follow written procedures for operations, maintenance, and emergencies implementing the requirements of API RP 1170 and API RP 1171, as required under this section, including the effective dates as applicable, and incorporate such procedures into their written procedures for operations, maintenance, and emergencies established pursuant to §192.605.

Crestwood's procedures for operations, maintenance and emergencies implementing the requirements of API RP 1170 and API RP 1171 were inadequate. Specifically, Crestwood's procedures do not define an annular pressure threshold to determine if additional evaluation is required.

Crestwood's procedure, Section 2.29.4, states that the "Threshold for action will be an indicated loss of integrity". This is not a defined threshold level and does not satisfy API RP 1171, Section

9.3.2, which states in part that “The operator shall evaluate each annular gas occurrence that exceeds operator or regulatory-defined threshold levels determined from well integrity evaluation and risk assessment”.

2. §192.12 (e) Underground natural gas storage facilities.

(e) Operators of underground gas storage facilities must establish and follow written procedures for operations, maintenance, and emergencies implementing the requirements of API RP 1170 and API RP 1171, as required under this section, including the effective dates as applicable, and incorporate such procedures into their written procedures for operations, maintenance, and emergencies established pursuant to §192.605.

Crestwood’s procedures for operations, maintenance and emergencies implementing the requirements of API RP 1170 and API RP 1171 were inadequate. Specifically, Crestwood does not have a procedure to verify all applicable staff receive training in the use of the emergency preparedness/response plan as stated in API RP 1171, Section 10.6.2.

3. §192.12 (e) Underground natural gas storage facilities.

(e) Operators of underground gas storage facilities must establish and follow written procedures for operations, maintenance, and emergencies implementing the requirements of API RP 1170 and API RP 1171, as required under this section, including the effective dates as applicable, and incorporate such procedures into their written procedures for operations, maintenance, and emergencies established pursuant to §192.605.

Crestwood’s procedures for operations, maintenance and emergencies implementing the requirements of API RP 1170 and API RP 1171 were inadequate. Specifically, Crestwood does not have a procedure to measure the effectiveness of operator familiarity with emergency plans and procedures and periodic testing of the effectiveness of the plan in accordance with API RP 1171, Section 11.4.2.

4. §192.12 (e) Underground natural gas storage facilities.

(e) Operators of underground gas storage facilities must establish and follow written procedures for operations, maintenance, and emergencies implementing the requirements of API RP 1170 and API RP 1171, as required under this section, including the effective dates as applicable, and incorporate such procedures into their written procedures for operations, maintenance, and emergencies established pursuant to §192.605.

Crestwood’s procedures for operations, maintenance and emergencies implementing the requirements of API RP 1170 and API RP 1171 were inadequate. Specifically, Crestwood does not have an adequate procedure in defining document retention, including training records, as required by API RP Section 11.13.3.

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 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 Robert Burrough, Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 1-2018-1021M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Please note, effective September 24, 2018, the PHMSA Eastern Region, Office of Pipeline Safety, address will be as follows:

PHMSA, Eastern Region, Office of Pipeline Safety
840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628

Please make a note of this new information in your records. If you have any questions, please contact us at 609-771-7800.

Sincerely,



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

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