

NOTICE OF AMENDMENT

OVERNIGHT EXPRESS DELIVERY

February 8, 2022

Mr. Tom Nimbley
President and Chief Executive Officer
Collins Pipeline Co.
1 Sylvan Way, Second Floor
Parsippany, NJ 07054

CPF 1-2022-001-NOA

Dear Mr. Nimbley:

From October 29th, 2020 - June 10th, 2021 a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Collins Pipeline Co.'s (Collins Pipeline) procedures, records, and made observations during an Integrated Inspection in Collins, MS; Chalmette, LA; and via virtual meetings.

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

1. **§ 195.402 Procedural manual for operations, maintenance, and emergencies**
 - (a) ...
 - (c) ***Maintenance and normal operations.* The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:**
 - (1) ...
 - (3) **Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.**

Collins Pipeline's written procedures for conducting maintenance and normal operations were inadequate. Specifically, Collins Pipeline's written procedures failed to identify and define ratings that will be utilized on the *PL-0595 Annual Physical Tank Inspection* form (Form PL-0595) or

similar form when performing inspections of in-service breakout tanks.

During the inspection, PHMSA reviewed Collins Pipeline's Form PL-0595, and its *DOT Liquids Manual, Gulf Coast, Effective December 31, 2020* (DOT Liquids Manual). Form PL-0595 included multiple fields requiring the tank inspector to check and document conditions for various aspects of the tank. Ratings that were required to be entered on the form for these fields were neither identified nor defined in the written procedures or on the form itself.

Therefore, Collins failed to prepare adequate procedures regarding documenting inspections as required by § 195.402(c)(3). Collins Pipeline must revise its DOT Liquids Manual to identify and define ratings that will be utilized on its forms for documenting these inspections.

2. § 195.402 Procedural manual for operations, maintenance, and emergencies.

(a) ...

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

(1) ...

(3) **Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.**

Collins Pipeline's written procedures for maintenance and normal operations were inadequate. Specifically, Collins Pipeline's corrosion control procedures failed to contain adequate details relative to taking corrective action under § 195.573(e)^a.

During the inspection, PHMSA reviewed Collins Pipeline's *DOT Compliance Manual - December 2019 – Delaware*, revised May 2020 (the Manual). Section 1.6.1 of the Manual stated, "Deficiencies identified during cathodic protection surveys will be corrected as soon as practical, but unless due to unusual conditions and documented in writing, prior to the following cathodic protection survey". Collins Pipeline did not provide a definition of the term "unusual conditions". By not defining the term "unusual conditions" as it pertains to correcting deficiencies identified during cathodic protection surveys, the requirement to correct deficiencies prior to the following cathodic protection survey could be bypassed without adequate justification, and the procedural requirements negated.

Therefore, Collins failed to prepare adequate procedures pertaining to § 195.573, as required by § 195.402(c)(3). Collins Pipeline must revise the Manual to clarify its requirements for "unusual condition" exceptions to correcting deficiencies identified during cathodic protection surveys as soon as practical, and prior to the following cathodic protection survey.

^a § 195.573 What must I do to monitor external corrosion control?

(a) ...

(e) *Corrective action.* You must correct any identified deficiency in corrosion control as required by § 195.401(b). However, if the deficiency involves a pipeline in an integrity management program under § 195.452, you must correct the deficiency as required by § 195.452(h).

3. §195.452 Pipeline integrity management in high consequence areas.

(a) ...

(f) ***What are the elements of an integrity management program? An integrity management program begins with the initial framework. An operator must continually change the program to reflect operating experience, conclusions drawn from results of the integrity assessments, and other maintenance and surveillance data, and evaluation of consequences of a failure on the high consequence area. An operator must include, at minimum, each of the following elements in its written integrity management program:***

(1) ...

(3) **An analysis that integrates all available information about the integrity of the entire pipeline and the consequences of a failure (see paragraph (g) of this section).**

Collins Pipeline's written integrity management procedures were inadequate. Specifically, Collins Pipeline's integrity management procedures failed to define ratings that were utilized on the 2018 Risk Model (Threats) spreadsheet (Risk Model) required to analyze and integrate available information about the integrity of the entire pipeline and the consequences of a failure pursuant to § 195.452(g)^b.

During the inspection, PHMSA reviewed Collin Pipeline's Risk Model and its *Pipeline Integrity Management Plan; Hazardous Liquids Pipelines*, dated June 30, 2020 (IM Plan). These documents did not define the ratings utilized in the spreadsheet. By not defining the ratings that were entered in the Risk Model, Collins Pipeline's IM Plan failed to provide the necessary basis to effectively analyze and integrate its available information about the integrity of the entire pipeline and the consequences of a failure.

Therefore, Collins Pipeline failed to include adequate written integrity management procedures regarding performing an information analysis pursuant to § 195.452(g), as required by § 195.452(f)(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 Enforcement Proceedings.

^b § 195.452 Pipeline integrity management in high consequence areas.

(a) ...

(g) *What is an information analysis?* In periodically evaluating the integrity of each pipeline segment (see paragraph (j) of this section), an operator must analyze all available information about the integrity of its entire pipeline and the consequences of a possible failure along the pipeline. Operators must continue to comply with the data integration elements specified in § 195.452(g) that were in effect on October 1, 2018, until October 1, 2022. Operators must begin to integrate all the data elements specified in this section starting October 1, 2020, with all attributes integrated by October 1, 2022. This analysis must:

...

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 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 Collin's Pipeline Co. 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, 840 Bear Tavern Road, Suite 300, West Trenton, NJ 08628. In correspondence concerning this matter, please refer to **CPF 1-2022-001-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible. Smaller files may be emailed to robert.burrough@dot.gov. Larger files should be sent on USB flash drive accompanied by the original paper copy to the Eastern Region Office.

Sincerely,

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

Enclosure: Response Options for Pipeline Operators in Enforcement Proceedings