

## WARNING LETTER

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 14, 2010

Mark Rauch  
President  
Key West Pipeline Company  
P.O. Box 270415  
Houston, Texas 77277-0415

**CPF 2-2010-6006W**

Dear Mr. Rauch:

On August 5-6, 2010, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) conducted an onsite pipeline safety inspection of the Key West Pipeline Company (KWPC) pipeline facilities and records at your Key West, Florida office pursuant to Chapter 601 of 49 United States Code.

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

**1. §195.440 Public awareness.**

**(d) The operator's program must specifically include provisions to educate the public, appropriate government organizations, and persons engaged in excavation related activities on:**

- (1) Use of a one-call notification system prior to excavation and other damage prevention activities;**
- (2) Possible hazards associated with unintended releases from a hazardous liquid or carbon dioxide pipeline facility;**
- (3) Physical indications that such a release may have occurred;**
- (4) Steps that should be taken for public safety in the event of a hazardous liquid or carbon dioxide pipeline release; and**
- (5) Procedures to report such an event.**

KWPC's public awareness program was inadequate because the print material that KWPC distributed to the public, appropriate government officials, and persons engaged in excavation related activities did not contain information on the hazards associated with the hazardous liquid being transported, JP-5 jet fuel, or any information on the use of one-call notification systems.

KWPC did not provide any records to indicate that information on the hazards associated with JP-5 jet fuel or information on the use of one-call systems was in any way conveyed to the residents, property owners and utilities along the pipeline. KWPC did not provide any records to indicate that the use of one-call systems was provided to the United States Navy, the Coast Guard, or to excavators.

**2. §195.440 Public awareness.**

**(a) 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 §195.3).**

KWPC's public awareness program was inadequate because KWPC did not pre-test the public awareness materials or messages distributed to the public, appropriate government officials, and persons engaged in excavation related activities.

API RP 1162 Section 8.4.2 requires a pipeline operator to pre-test its public awareness materials for appeal and messages for clarity, understandability, and retainability before they are widely distributed. KWPC did not provide any records or documentation to demonstrate that KWPC had conducted any pre-test of its public awareness materials or messages.

**3. §195.440 Public awareness.**

**(a) 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 §195.3).**

KWPC's public awareness program was inadequate because KWPC failed to complete a public awareness program effectiveness evaluation no later than June 2010.

API RP 1162 Section 8.5, Table 8-1 contains requirements for an operator to conduct an evaluation of the effectiveness its public awareness program implementation at intervals of no more than four years. The first effectiveness evaluation was due no later than June 2010.

During the inspection the PHMSA inspector asked to see the program effectiveness evaluation and was given a memorandum titled "*Internal Audit of Key West Pipeline Company's Pipeline Integrity Management Plan Program.*" This document contained a brief section on public awareness that indicated that the Terminal Manager had documented meetings that were held with various stakeholders as required by the plan and that a section of pipeline located on property owned by the City of Key West does not have an easement. This document did not contain any information whatsoever on how effective the public awareness program had been in achieving its intended goals and did not provide any recommendations on changes that could be made to improve the program.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 2-2010-6006W**. 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,

Wayne T. Lemoi  
Director, Office of Pipeline Safety  
PHMSA Southern Region