

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 29, 2013

Mr. Steve Pankhurst
Business Unit Leader
Tri-States NGL Pipeline LLC
150 West Warrenville Road
Naperville, IL 60563

CPF 2-2013-5001M

Dear Mr. Pankhurst:

On June 18-22, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Southern Region, Office of Pipeline Safety inspected the Tri-States NGL Pipeline, LLC (Tri-States) written Operations, Maintenance, and Emergency Response Manual (OMER) at your Moss Point, Mississippi office pursuant to Chapter 601 of 49 United States Code.

On the basis of the inspection, PHMSA has identified apparent inadequacies within Tri-States written OMER procedures, as described below:

- 1. §195.402 Procedural manual for operations, maintenance, and emergencies.
... (d) Abnormal operation. The manual required by paragraph (a) of this section must include procedures for the following to provide safety when operating design limits have been exceeded:**
 - (1) Responding to, investigating, and correcting the cause of:**
 - (i) Unintended closure of valves or shutdowns;**
 - (ii) Increase or decrease in pressure or flow rate outside normal operating limits;**
 - (iii) Loss of communications;**
 - (iv) Operation of any safety device;**
 - (v) Any other malfunction of a component, deviation from normal operation, or personnel error which could cause a hazard to persons or property.**

Tri-State's procedures for abnormal operation did not require Tri-States to investigate and determine the cause of all abnormal operations and did not clearly explain how Tri-States would investigate abnormal operations.

Tri-States OMER procedure P-195.402(d) Abnormal Operations, Section A, General conveyed: *"Those events potentially involving equipment failure or those, which cannot be cleared from the Control Center, will be referred to the appropriate field maintenance personnel for further investigation and resolution."* This was inadequate as highlighted in

- Section B.1. Unintended/Unexplained Valve Closure where an unintended or unexplained valve closure would only be investigated and documented by *creating a MAXIMO Work Request using Job Plan UG 1976* if the control center was unable to re-open the valve; and,
- Section B.2. Unintended/Unexplained Station Shutdown where an unintended or unexplained station shutdown would only be investigated and documented by creating a work request *if the fault condition cannot be cleared [AND] the station is needed for current operations.*

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 Tri-States NGL Pipeline LLC maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Wayne T. Lemoi, Director, Southern Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 2-2013-5001M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

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