



February 25, 2019

Mr. James Urisko
Director, Southern Region
Pipeline and Hazardous Materials Safety Administration
233 Peachtree Street NE, Suite 600
Atlanta, GA 30303

RE: CPF 2-2019-5001
(31045) Genesis Pipeline USA, L.P. (Genesis)
(32411) Genesis Pipeline Alabama, LLC (Genesis)
Inspection covering the states of AL, FL, and MS
Response to alleged NOPVs

Dear Mr Urisko:

On February 26, 2018 through June 8, 2018, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) conducted an inspection of the Genesis Pipeline USA, LLC and Genesis Pipeline Alabama, LLC pipeline systems; which included the written operations and maintenance (O&M) procedures, records, and associated programs. As a result of the inspection, alleged probable violations were identified relative to 49 CFR 195.452.

Pursuant to 49 CFR 195.452, Genesis is addressing the identified compliance issues and proposes the following corrective actions to mitigate the alleged probable violations.

Item 1, 195.452 (a)(f)

Pursuant to 49 CFR 195.452(a)(f), Genesis Pipeline Integrity Manual includes paragraphs to address Line Pipe and Facilities that could affect an High Consequence Area (HCA). The process by which the identification shall be conducted can be located in IM Process 100 (attached), Section 1.2 and 1.3. Specifics on "Facilities", the reader of the procedure is directed to Section 101L and 101G respectively. This paragraph is in 1.3.2 of the IM Process 100. Defining the assets shall be conducted according to the Genesis Asset Definition; IM Procedure 101F (attached).

The new language within IM Process 100, paragraph 1.2, segment identification involves the following:

- a. Identification of an asset as a pipeline, as equipment or components that are part of a facility, or as a breakout tank
- b. Defining the characteristics of the asset
 - starting point, end point and route for pipelines
 - pressure rating, diameter, et al for equipment and components

- location, product, diameter, height, capacity, and working pressure as applicable for breakout tanks
- c. Segmentation of a pipeline into assessment segments and assigning a Pipeline ID where appropriate
- d. For those assets determined to be PHMSA jurisdictional, a determination of whether a release (or spill) from an asset (pipeline, facility, or breakout tank) could adversely affect a high consequence area (HCA analysis)

As a result, procedures for identifying HCAs and HCA segments is located in IM process 101L. The procedure for locating these HCAs are written in paragraph 1.2. Specifics on facilities located within HCAs is located in paragraph 1.2.6.

Item 2, 195.452 (a)(i)(1)

Pursuant to 49 CFR 195.452(a)(i)(1), Genesis Pipeline Integrity Manual includes paragraphs to address Line Pipe and Facilities that could affect an High Consequence Area (HCA). The process by which the identification shall be conducted can be located in IM Process 100 (attached), Section 1.2 and 1.3. Specifics on “Facilities”, the reader of the procedure is directed to Section 101L and 101G respectively. This paragraph is in 1.3.2 of the IM Process 100. Defining the assets shall be conducted according to the Genesis Asset Definition; IM Procedure 101F (attached).

In 49 CFR 195.452(a)(i)(1), facilities identified to require preventive and mitigative measures (P&MMs) informational analysis can be found in IM Process 601F, paragraph 1.1 (attached). Data collection and analysis begins in paragraph 1.2 of this procedure. For Facility Risk Analysis can be found in IM Process 201F (attached).

Item 3, 195.452(a)(i)(2)

Pursuant to 49 CFR 195.452(a)(i)(2), Genesis Pipeline Integrity Manual includes paragraphs to address Line Pipe and Facilities that could affect an High Consequence Area (HCA). The process by which the identification shall be conducted can be located in IM Process 100 (attached), Section 1.2 and 1.3. Specifics on “Facilities”, the reader of the procedure is directed to Section 101L and 101G respectively. This paragraph is in 1.3.2 of the IM Process 100. Defining the assets shall be conducted according to the Genesis Asset Definition; IM Procedure 101F (attached).

In 49 CFR 195.452(a)(i)(2), facilities identified to require preventive and mitigative measures (P&MMs) informational analysis can be found in IM Process 601F, paragraph 1.1 (attached). Data collection and analysis begins in paragraph 1.2 of this procedure. For Facility Risk Analysis can be found in IM Process 201F (attached).

Pursuant to 49 CFR 195.452(a)(i)(2), Genesis has identified facilities along the pipeline segments that could affect an HCA\USA and within the defined boundaries of the HCAs. Genesis will proceed with the informational analysis and apply the IM Risk

analysis where applicable. At this time, Genesis feels that it will make the Proposed Compliance Order deadlines; Item 3 (a, b, and c).

Item 4, 195.452(a)(i)(2)

Defining the assets shall be conducted according to the Genesis Asset Definition; IM Procedure 101F (attached). Pipeline Facilities located within HCAs for both Operators totaled thirteen (13) facilities. Facility Informational Analysis is currently underway and its anticipated completion date is scheduled for August 1, 2019.

Safety improvement costs associated with fulfilling the Proposed Compliance Order this informational analysis can be approximated and made available upon request. Per the Proposed Compliance Order, if requested, the safety improvement costs will be provided upon request.

Proposed Compliance Order

Genesis has completed item 3 (a) & (b), and feels that the proposed date of completion August 1, 2019 (Item c.) will be sufficient amount of time to review and finalize the information analysis (IA) on the facilities that impact an HCA.

The designed study methodology is a case study and will be defined as a research strategy; which will provide information particular to each facility and situation. The investigation will include:

1. A multi-discipline Genesis IM Committee meeting.
2. Reviews of HCAs; that are direct impact and could affect an HCA.
3. Facilities Identification.
4. Facility Response Plan Spill Evaluation.
5. On-Site verification of equipment and associated line pipe.

The deadline proposed will include Operator IDs 31045 and 32411 in the designed investigation.

Genesis procedures referenced herein are attached. Additional information can be made available to PHMSA upon request. We appreciate the opportunity to work with the Pipeline and Hazardous Materials Safety Administration regarding the safe operation of our pipelines.

If you have any questions or comments, please feel free to contact me directly at 713-860-2542 or by e-mail at Jeff.Gifford@genlp.com.

Sincerely,



Jeffrey W. Gifford
Vice President, HSSE

Genesis Referenced Materials & Attachments

1. Genesis IMP, Section 100, Pages 4 ~ 6
2. Genesis IMP, Section 101F, Pages 22 ~ 28
3. Genesis IMP, Section 101L, Pages 14 ~ 16
4. Genesis IMP, Section 201F, Pages 40 ~ 45
5. Genesis IMP, Section 601F, Pages 37 ~ 49

Attachments

RECEIVED FEB 26 2019