



U.S. Department
of Transportation

**Research and
Special Programs
Administration**

400 Seventh St., S.W.
Washington, D.C. 20590

NOV 25 2003

Mr. Patrick M. McCann
President
Koch Pipeline Company, LP
4111 East 37th Street North
Wichita, KS 67201

Re: CPF No. 3-2002-5013

Dear Mr. McCann:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes a finding of violation and assesses a civil penalty for the violation. I acknowledge your wire transfer dated July 2, 2002 for \$5,000 as payment in full of the civil penalty assessed in the Final Order.

The Final Order acknowledges your submission of amended procedures addressing the inadequacies cited in the Notice. As further actions are required with respect to amendment of your procedures, this case remains open. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

for 

Gwendolyn M. Hill
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590

In the Matter of)
)
Koch Pipeline Company, LP,)
)
Respondent.)
_____)

CPF No. 3-2002-5013

FINAL ORDER

On February 6 - 7, 2002, the Director, Central Region, Office of Pipeline Safety, issued Respondent a Notice of Probable Violation, Proposed Civil Penalty, and Notice of Amendment (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed assessing a civil penalty of \$5,000 for alleged violation of 49 C.F.R. § 195.452. The Notice also proposed that Respondent amend its Integrity Management Program (IMP) procedures. Respondent responded by letter dated July 3, 2002 (Response) and did not contest the allegations, the amount of the proposed civil penalty, or the proposed amendment. Respondent submitted a wire transfer in the amount of the proposed civil penalty (\$5,000), waiving further right to respond regarding the violation and civil penalty, and authorizing the entry of this Final Order.

FINDING OF VIOLATION

Pursuant to § 190.209(a)(1) and 49 U.S.C. § 60122, I find that Respondent violated the following section of 49 C.F.R. Part 195 as described more completely in the Notice:

195.452(b)(2)—failing to identify all pipeline segments that could affect a high consequence area by December 31, 2001. Respondent did not identify pipeline segments that could affect drinking water resources (defined by § 195.6) in Arkansas. Lack of National Pipeline Mapping System (NPMS) data for that state did not excuse Respondent from the requirement, as Respondent was ultimately responsible for seeking and using alternative data sources where NPMS data was incomplete.

This finding will be considered a prior offense in any subsequent enforcement action against Respondent. I assess the civil penalty of \$5,000, already paid by Respondent.

AMENDMENT OF PROCEDURES

The Notice alleged inadequacies in Respondent's IMP procedures and proposed to require amendment of Respondent's procedures to comply with the requirements of 49 C.F.R.

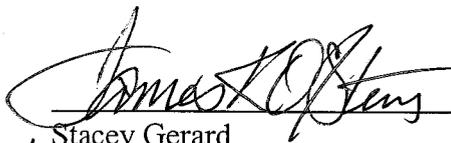
§§ 195.452(b)(2) and 194.452(b)(6)(ii) for identification of pipeline segments that could affect a high consequence area. Respondent had utilized a buffer zone approach that failed to account for flow rates, response time, pipe diameter, and elevation when calculating spill volumes for crude oil. Furthermore, with regard to both crude oil and refined products, Respondent's buffer zone approach did not account for overland transport.

On October 7, 2002, Respondent submitted copies of its revised procedures, which the Director, Central Region, OPS reviewed. Accordingly, based on the results of this review, I find that Respondent's original procedures as described in the Notice were inadequate, but that Respondent has corrected the identified inadequacies. No need exists to issue an order directing amendment.

Respondent's October 7, 2002 submission indicated that the revised IMP procedures required by the Notice would be implemented as part of Respondent's segment identification process and would be complete by December 31, 2002. **Respondent shall submit a letter to the Director, Central Region, OPS stating that the implementation of the revised segment identification process is complete.**

This case will automatically close upon the Director, Central Region, OPS' acknowledgment of completion as attested to in the required letter.

Under 49 C.F.R. § 190.215, Respondent has a right to submit a Petition for Reconsideration of this Final Order. The petition must be received within 20 days of Respondent's receipt of this Final Order and must contain a brief statement of the issue(s). The terms of the order, including any required corrective action, remain in full effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Final Order are effective on receipt.


Stacey Gerard
Associate Administrator
for Pipeline Safety

NOV 25 2003

Date Issued