

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 24, 2009

Mr. Terry Hurlburt, Sr.
TE Products Pipeline Company, LLC
Senior Vice President Operations
1100 Louisiana Street
Houston, TX 77002-5227

CPF 3-2009-5011M

Dear Mr. Hurlburt:

On August 11-15, 2008, August 25-29, 2008, September 29 – October 3, 2008, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected TE Products Pipeline Company, LLC (TEPPCO) procedures for operations and maintenance in Seymour, IN.

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

1. §195.402 Procedural manual for operations, maintenance, and emergencies.

(a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations.

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

(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part.

Review of TEPPCO's operation and maintenance manuals revealed that the procedures for inspection and testing of overpressure safety devices 195.428(a) were inadequate. TEPPCO's operation and maintenance manual Section 5.1.1 Procedure did not address inspecting the complete pressure information circuit loop. During PHMSA's 2008 records inspection, it was found that TEPPCO's personnel were not inspecting the complete pressure information circuit loop. The procedure needs additional language in the overpressure safety devices section to provide guidance on inspection of the complete pressure information circuit loop. For example, if to activate the overpressure protection shutdown requires communication between the pressure transmitter, the PLC, and the pump, then the communication loop between all three devices must be inspected.

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 45 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.

In correspondence concerning this matter, please refer to **CPF 3-2009-5011M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Ivan A. Huntoon
Director, Central Region
Pipeline and Hazardous Materials Safety Administration

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