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John Gurrola, *Vice President & Manager*

December 19, 2012

Mr. David Barrett  
Director, Central Region  
Pipeline and Hazardous Materials Safety Administration  
901 Locust Street, Suite 462  
Kansas City, MO 64106-2641

Re: CPF 3-2012-5026M

Dear Mr. Barrett,

On October 24-26, 2011, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) conducted a comprehensive inspection of Wolverine Pipe Line Company (WPL) operations and maintenance procedures at our headquarters office in Portage, Michigan. After this PHMSA inspection, Wolverine worked with PHMSA's inspector to correct the concerns noted.

On November 30, 2012, WPL received a Notice of Amendment (NOA) from PHMSA dated November 27, 2012. In compliance with the requirements of 49 CFR 190, Subpart B, WPL is offering the following information for your consideration. However, we first want to reassure PHMSA that WPL is committed to maintaining thorough and comprehensive operations and maintenance procedures. In regards to the three specific items referenced in the NOA, I would like to briefly summarize how each item has been addressed.

Following in bold print are excerpts from the PHMSA NOA and WPL's responses to each of the three NOAs.

**1. §195.402(d) 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:**

**(2) Checking variations from normal operations after abnormal operation has ended at sufficient critical locations in the system to determine continued integrity and safe operation.**

**At the time of the inspection the process that WPL used to document abnormal operations did not include a section on its form to address "checking variations from normal operation after abnormal operations have ended at sufficient locations".**

WPL's Abnormal Operating Conditions (AOC) Procedures have always required immediate notification to the Product Movement Manager (PMM). When those calls were received, the PMM historically discussed the details with the On-Duty Controller. In situations that required a shut down or where a shutdown occurred automatically due to our safety devices, the PMM's permission was required before restarting the pipeline. Before the restart permission was given, the PMM discussed with the On-Duty Controller in the OCC the line conditions (pressures, over and short status, valve alignment, and communications) and field response (what was found, what steps were taken). The enhancement WPL has instituted is the documentation of checking variations from normal operation after abnormal operations have ended at sufficient locations on the WPL AOC Condition Restart Report (Attachment A). For each AOC event, the On-Duty Controller in the OCC is required to fill out the "Abnormal Operating Condition Restart Report", which documents the date, time, location, a description of the AOC, personnel notified, the resolution of the AOC, a list of items which must be checked and discussed with the Product Movement Manager (PMM) prior to system restart, areas that should be checked after restart, and the name of the person approving the system restart.

- 2. §195.402(d) 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:**

**(5) Periodically reviewing the response of operator personnel to determine the effectiveness of the procedures controlling abnormal operation and taking corrective action where deficiencies are found**

**At the time of the inspection, the process that WPL used to document abnormal operations did not include a section on its form to address "periodically review the response of operating personnel to determine the effectiveness of the procedures for controlling abnormal operations and taking corrective action where deficiencies are found".**

WPL's past practice was that the PMM received a Maintenance Connection (WPL's Work Order Program) report every Monday showing the prior week's trouble reports. The PMM would review these reports to verify the Controller's response to any abnormal operation conditions and ask questions, if necessary, but this process was not formally documented. WPL has implemented a policy where the PMM reviews and signs off on all AOC reports from the prior month by the 15th. If deficiencies are found corrective action is taken. A monthly Maintenance Connection Work Order is generated as a reminder to complete the review each AOC Condition Restart Report. This is documented by the PMM or the PMM's designee signing each AOC Condition Restart Report after reviewing.

**3. §195.571 What criteria must I use to determine the adequacy of cathodic protection?**

**Cathodic protection required by this Subpart must comply with one or more of the applicable criteria and other considerations for cathodic protection contained in paragraphs 6.2 and 6.3 of NACE SP 0169.**

**At the time of the inspection 'WPL's procedures for cathodic protection did not define WPL's cathodic protection monitoring criteria.**

WPL acknowledges PHMSA considers Item 3 closed.

Updated sections of WPL's DOT Liquids Manual are attached as Attachment B.

Finally, I want to personally assure you that Wolverine and PHMSA share a common goal of safe and flawless operations that are in full compliance with the laws, rules and regulations applicable to our operations.

Respectfully,

A handwritten signature in black ink, appearing to read 'John Gurrola', with a stylized flourish at the end.

John Gurrola

WPLCo NOA Response CPF3-2012-5026M - Attachment A  
**Abnormal Operating Condition Restart Report**

Date & Time: \_\_\_\_\_ Location: \_\_\_\_\_

AOC Type: \_\_\_\_\_

Note: For all AOC Conditions the Product Movement Manager (or designee) and Area Supervisor MUST be notified.

Notified: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Brefly describe AOC: \_\_\_\_\_  
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Resolution of AOC: \_\_\_\_\_  
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\_\_\_\_\_

Check the appropriate steps taken before restart after an Abnormal Operating Condition.

**Restart after Loss of Communication**

- Check to make sure all Communications to operating stations has been restored.
- Acceptable over and short
- Acceptable line pressures
- Correct valve positions
- Check to make sure all receipt and delivery stations are ready

**Restart after Pressure Relief**

- No restart can occur until local personnel have checked the station and cleared the lock out.

**WPLCo NOA Response CPF3-2012-5026M - Attachment A**

- Product Movement Manager (or designee) must be notified
- Acceptable pressure on pipeline from source to delivery
- Correct valve positions
- Check to make sure all receipt and delivery stations are ready
- Acceptable over and shorts

**Restart after Over/Short**

- Product Movement Manager (or designee) must be notified
- Did the line hold pressure?
- Are the meters lined up to the prover and did a prove complete?
- Do local personnel need to be called out to check a line segment?

If permission is given:

- Verify all valve positions are correct
- Check to make sure all receipt and delivery stations are ready
- Acceptable pressure on pipeline from source to delivery
- Monitor over and shorts on line segment closely for the next 1 - 4 hours

**Restart after activation of safety device (CCD)**

- Product Movement Manager (or designee) must be notified
- No restart can occur until local personnel have checked the station and cleared the lock out.
- Correct valve positions
- Check to make sure all receipt and delivery stations are ready
- Acceptable pressure on pipeline from source to delivery
- Monitor over and shorts on line segment closely for the next 1 - 4 hours

**Unauthorized Closure of Valve**

- Cause determined?
- Pressure relief occurred?
- Proper personnel notified?

**WPLCo NOA Response CPF3-2012-5026M - Attachment A**

- Local Operations
- Local Supervisor
- SCADA
- Product Movement Manager
- Verify all valve positions are correct
- Check to make sure all receipt and delivery stations are ready
- Acceptable pressure on pipeline from source to delivery
- Monitor over and shorts on line segment closely for the next 1 - 4 hours

Critical locations to check after the abnormal operation has ended for variations from normal operation and to determine continued integrity and safe operation

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Approval to restart the affected line(s) after the resolution of an AOC Condition MUST be given by the President, Vice President, Product Movement Manager, or their designee.

Line Restart Approver's Name: \_\_\_\_\_

Controller: \_\_\_\_\_

Upon resolution of AOC and line restart, put this completed form in the OCC Lead's mailbox.

Reviewed by Product Movement Manager (or designee)

By \_\_\_\_\_ Date: \_\_\_\_\_

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**D. Abnormal Operation - 195.402(d)**

***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 Any Abnormal Operating Condition - 195.402(d)(1)**

**PROCEDURES:**

The OCC shall be responsible for responding to any of the items listed in 195.402(d)(1) if such pipeline facility is under the control/monitoring of the OCC:

- Unintended closure of valves or shutdowns.
- Increase or decrease in pressure or flow rate outside normal operating limits.
- Loss of communications.
- Operation of any safety device.
- Any other malfunction of a component (i.e. unscheduled station shutdown, power failures, station lockouts, individual unit lockouts, etc.), deviation from normal operation, or personnel error that could cause a hazard to persons or property.

The OCC reports such incidents to field operations, shuts down the system if appropriate, logs the event and maintains those records. Circumstances may require the operating areas to respond in certain situations where on-site activities are required. The operating areas shall be responsible for incidents related to locally operated facilities and for those incidents attributed to error by local operating personnel. However, the appropriate supervisor shall be responsible for coordinating in-depth investigations and determining corrective actions and/or procedural changes with the operating areas.

In the case of loss of communications, the OCC and/or operating areas shall seek the assistance of the IT Dept.

The operating area's Operating Instructions for each system and station contain procedures for handling abnormal operating conditions at the local level.

**2. Checking The System After An Abnormal Operation Has Ended - 195.402(d)(2)**

**PROCEDURES:**

Conditions may develop on a pipeline system that are not anticipated and are not immediately identified as emergencies. These conditions are Abnormal Operating Conditions (AOC) and if allowed to continue without corrective action can develop into emergencies; therefore, an abnormal condition must be considered serious and corrective action must be taken immediately.

Personnel responsible for local facility operations and the OCC responsible for remote facility operations must be familiar with the normal operation of valves, pumps, pressure limits, control valve settings, and protective device settings to ensure recognition of an abnormal condition and to know what corrective actions to take.

When an AOC occurs, usually the safety systems will shut down the pipeline segment, but if the line does not shut down, the On-Duty OCC Controller will safely shut down the line segment(s) in question.

Each AOC must be recorded on the "Abnormal Operating Condition Restart Report", which can be found on the WPL E-library in the Operations Folder, by the On-Duty Controller in the OCC. The Controller must also make immediate notification to the Product Movement Manager (PMM) or his designee, and he must follow the "WPLCo OCC Condition/Response Chart" posted on the OCC bulletin board. After the abnormal operation has ended the On-Duty Controller will review with the PMM the items on the Abnormal Operating Condition Restart Report at sufficient critical locations in the system to determine continued integrity and safe restart and operation of the line segment(s) in question.

The Abnormal Operating Condition Restart Report contains:

- Date
- Time
- Location
- A description of the AOC
- Personnel notified
- The Resolution of the AOC
- A list of items which must be checked and discussed with the Product Movement Manager (PMM) prior to system restart

WPLCo NOA Response CPF3-2012-5026M  
Attachment B

- A list of critical locations to check after the abnormal operation has ended for variations from normal operation and to determine continued integrity and safe operation.
- Name of the person approving the system

The OCC shall check monitored facilities for system integrity as normal operation are resumed after the occurrence of an abnormal operating incident. This action might require local operating area assistance in some cases. In such situations, close communications shall be maintained between the OCC and the operating area until system integrity is assured.

The operating areas shall be responsible for ascertaining the integrity of locally operated facilities once an abnormal operating experience is cleared and normal operations resume. As in the above case, close communications shall be maintained by field personnel involved until system integrity is assured.

**5. Reviewing The Response Of Personnel To Abnormal Operations - 195.402(d)(5)**

**PROCEDURES:**

Supervisors shall observe personnel response during abnormal operations to ensure procedures are effective. Once per calendar year, not to exceed 15 months, a group review meeting shall be conducted. Abnormal operations and associated procedures will be discussed. If possible deficiencies are identified, the Company will review procedures, and effect corrective action if appropriate. Such action could include changes in procedures, training, and/or individual counseling/training of employees. The review shall be documented on the on the Company Safety Meeting Minutes Form.

**Periodic Review of OCC Personnel Response to Determine the Effectiveness of the Procedures Controlling an Abnormal Operation**

The PMM or his designee will review and sign off on each AOC Condition Restart Report for a month, by the 15th of the following month. If deficiencies are found during these reviews, corrective action will be taken. Such action could include changes in procedures, training, and/or individual counseling/training of employees.