

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 27, 2013

Mr. Royce Brown
Vice President
CenterPoint Energy
525 Milam
Shreveport, Louisiana 71101

CPF 3-2013-1009M

Dear Mr. Brown:

On May 3-6, 2011, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected CenterPoint Energy procedures for Public Awareness Program Effectiveness in Shreveport, Louisiana.

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

1. § 192.616 Public awareness.

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

CenterPoint's procedures are inadequate because its Public Awareness Plan does not include the line size on maps given to emergency responders. There is no statement in the Public Awareness Plan to justify why CenterPoint is not following the requirement in API RP 1162.

CenterPoint's procedures are inadequate because its Public Awareness Plan does not have a process to handle the return mail from stakeholder audience groups.

CenterPoint's procedures are inadequate because its Public Awareness Plan does not have a process for the annual review of its pipeline system referencing the supplemental elements identified in Section 6.2 of API RP 1162 that would affect each stakeholder audience group.

CenterPoint's procedures are inadequate because its Public Awareness Plan does not have a process for an annual implementation review that covers all documents and activities. During the annual implementation review, the process does not allow for information, data, and reviews to be available to the entire team of reviewers. The procedures do not clearly delineate the difference from the Base Line and supplemental messaging to avoid misinterpretation.

CenterPoint's procedures are inadequate because its Public Awareness Plan does not have adequate procedures in place for: measuring the programs outreach to stakeholder audience groups, determining the percentage of stakeholder audience groups reached, and determining the level of understanding and retention of the message presented to the stakeholder audience groups. There are no procedures to measure the Bottom-Line results by the stakeholder audience groups.

CenterPoint's procedures are inadequate because its Public Awareness Plan does not document the evaluation of effectiveness changes or document when they are not following recommendations from the effectiveness report.

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 CenterPoint Energy maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to David Barrett, Director, Central Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 3-2013-1009M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

David Barrett
Director, Central Region
Pipeline and Hazardous Materials Safety Administration

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