

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 26, 2013

David Ysebaert
President and CEO
Explorer Pipeline Company
P.O. Box 2650
Tulsa, OK 74101

CPF 3-2013-5010M

Dear Mr. Yserbaert:

On November 7-10, 2011, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Explorer Pipeline Company's (EPC) procedures for operation and maintenance of Explorer Pipeline's refined products pipeline system in Tulsa, OK.

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

1. §195.404 Maps and records

(c) Each operator shall maintain and follow records for the periods specified:

(3) A record of each inspection and test required by this subpart shall be maintained for at least 2 years or until the next inspection or test is performed, whichever is longer.

EPC's procedures for documentation of inspection of overpressure safety devices pursuant to §195.428(a) are inadequate. Per §195.428(a), inspections of overpressure safety devices include determination that equipment is functioning properly, and is adequate from the standpoint of capacity and reliability of operation. However, EPC's procedures and forms for safety device inspections do not include provisions for recording "as-found" and "as-left" settings which are necessary for proper documentation that devices function adequately at the time of inspection and are reliable based on the ongoing results of safety device inspections.

2. §195.402 Procedural manual for operations, maintenance, and emergencies.

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

(4) Determining which pipeline facilities are located in areas that would require an immediate response by the operator to prevent hazards to the public if the facilities failed or malfunctioned.

EPC procedures are inadequate because they do not identify all areas that would require immediate response. EPC procedures only identify immediate response areas based on GIS analysis using their pipeline location data and an institutional database that identifies the locations of Hospital, Cemeteries, Churches, Government Facilities and Schools. Some pipe segments that are located within the primary levee and adjacent to the banks of the Mississippi River are not included. The considerations of navigable waterways and drinking water sources are also not present in the identification process.

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.

It is requested (not mandated) that Explorer Pipeline Company maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Director, Central Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 3-2013-5010M** 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*