

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

July 24, 2013

Mr. Mike Pearson
Vice President – Technical Services
Magellan Pipeline Company, LP
One Williams Center
Tulsa, OK 74172

CPF 3-2013-5021M

Dear Mr. Pearson:

On September 13 – 15, 2011, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Magellan Pipeline Company, LP's (Magellan's) Public Awareness Program (PAP) in San Antonio, Texas.

On the basis of the inspection, PHMSA has identified apparent inadequacies found within Magellan's Public Awareness Program (PAP), as described below:

1. § 195.440 Public Awareness

(b) The operator's program must follow the general program recommendations of API RP 1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Magellan's procedures are inadequate because they only assess the unique attributes and characteristics of Magellan's pipelines and facilities for the Longhorn pipeline and for ammonia. The remaining attributes and characteristics of its system are not included in its program.

2. § 195.440 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.

Magellan's procedures are inadequate because they do not sufficiently define how the various audiences are identified. For example, it is unclear how local public officials were identified. The PAP also does not require that schools be specifically targeted; although Magellan does have packets available for children education and science projects.

Magellan's procedures are inadequate because its process for reviewing Paradigm mailings for completeness and for recording baseline frequency distribution by audiences is not sufficiently detailed. The process should insure that Paradigm's mailing data matches mailings that are sent out to the different audiences.

Magellan's procedures are inadequate because they do not include a process for reviewing supplemental activities along each section of pipeline by stakeholder. The process should encompass tracking, planning, managing, and sharing lessons learned during the annual reviews and effectiveness evaluations throughout the company.

Magellan's procedures are inadequate because they do not include a process for evaluating and tracking the implementation of changes identified during the annual program reviews.

Magellan's procedures are inadequate because they don't require that the program's outreach be tracked by stakeholder audience in accordance with API 1162 RP section 8.4.1. In addition, the process for measuring the program's outreach, the percentage of stakeholders reached, the understandability of message content, and the desired stakeholder behavior does not include a target level for the various measures.

3. § 195.440 Public Awareness

(d) The operator's program must specifically include provisions to educate the public, appropriate government organizations, and persons engaged in excavation related activities on:

(2) Possible hazards associated with unintended releases from a hazardous liquid or carbon dioxide pipeline facility;

Magellan's procedures are inadequate because its mailing information does not include specific pipeline product hazard information, i.e. hazards for anhydrous ammonia.

4. § 195.440 Public Awareness

(g) The program must be conducted in English and in other languages commonly understood by a significant number and concentration of the non-English speaking population in the operator's area.

Magellan's procedures are inadequate because, even though all its audience brochures are in both English and Spanish, the process for determining whether additional languages should be utilized with a given target audience is not documented.

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 Magellan 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 3-2013-5021M** 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*