

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

September 1, 2017

Mr. Bob O'Hair
Executive Vice President
Koch Pipeline Company L.P.
Northern Operations Group
4111 East 37th Street North
P.O. Box 2975
Wichita KS, 67201

CPF 3-2017-5007M

Dear Mr. O'Hair:

On February 22 through 26, 2016, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) Central Region and the Minnesota Office of Pipeline Safety pursuant to Chapter 601 of 49 United States Code inspected the Pipeline Control Room Management (CRM) Plan for Koch Pipeline Company L.P. (KPL), Northern Operations Group (NOG), in Wichita, Kansas.

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

On the basis of the inspection, PHMSA has identified apparent inadequacies found within the CRM procedures, as described below:

1) §195.446(b) Roles and Responsibilities

Each operator must define the roles and responsibilities of a controller during normal, abnormal, and emergency operating conditions. To provide for a controller's prompt and appropriate response to operating conditions, an operator must define each of the following:

(1) A controller's authority and responsibility to make decisions and take actions during normal operations;

KPL procedures do not adequately define the duration of a brief period that the Controller may leave the Pipeline Control Center (PCC) when there are no operational tasks in progress and do not adequately define the communication tools that the Controllers will use to contact each other during a break.

KPL has revised its procedures. PHMSA has reviewed KPL's amended procedures and considers this item closed.

2) §195.446(b) Roles and Responsibilities

Each operator must define the roles and responsibilities of a controller during normal, abnormal, and emergency operating conditions. To provide for a controller's prompt and appropriate response to operating conditions, an operator must define each of the following:

(3) A controller's role during an emergency, even if the controller is not the first to detect the emergency, including the controller's responsibility to take specific actions and to communicate with others;

KPL's procedure inadequately defines: the process to shut down the pipeline by a qualified controller, in the event the qualified controller is incapacitated; the actions that Controllers must take in an immediate emergency; the authority of the Controller to control the pipeline during communication outages of 15 minutes or greater. This procedure also inadequately addresses multiple communication outages.

KPL has revised its procedures. PHMSA has reviewed KPL's amended procedures and considers this item closed.

3) §195.446(c) Provide adequate information

Each operator must provide its controllers with the information, tools, processes and procedures necessary for the controllers to carry out the roles and responsibilities the operator has defined by performing each of the following:

(1) Implement API RP 1165 (incorporating by reference, see §195.3) whenever a SCADA system is added, expanded or replaced, unless the operator demonstrates that certain provisions of API RP 1165 are not practical for the SCADA system used;

KPL's procedure does not define whether the existing SCADA system adheres to API RP 1165 requirements.

KPL has revised its procedures. PHMSA has reviewed KPL's amended procedures and considers this item closed.

4) §195.446(c) Provide adequate information

Each operator must provide its controllers with the information, tools, processes and procedures necessary for the controllers to carry out the roles and responsibilities the operator has defined by performing each of the following:

- (2) Conduct a point-to-point verification between SCADA displays and related field equipment when field equipment is added or moved and when other changes that affect pipeline safety are made to field equipment or SCADA displays.**

KPL's procedure inadequately describes the process of point-to-point verification from the SCADA display to field equipment and back to the SCADA display.

KPL has revised its procedures. PHMSA has reviewed KPL's amended procedures and considers this item closed.

5) §195.446(c) Provide adequate information

Each operator must provide its controllers with the information, tools, processes and procedures necessary for the controllers to carry out the roles and responsibilities the operator has defined by performing each of the following:

- (3) Test and verify an internal communication plan to provide adequate means for manual operations of the pipeline safely, at least once each calendar year, but at intervals not to exceed 15 months;**

KPL's procedure inadequately addresses the testing and verification of manual operations of critical operating pipelines

KPL has revised its procedures. PHMSA has reviewed KPL's amended procedures and considers this item closed.

6) §195.446(c) Provide adequate information

Each operator must provide its controllers with the information, tools, processes and procedures necessary for the controllers to carry out the roles and responsibilities the operator has defined by performing each of the following:

- (4) Test any backup SCADA systems at least once each calendar year, but at intervals not to exceed 15 months; and**

KPL's procedures inadequately address testing and documentation of the backup SCADA system in the basement of the Wichita, Kansas control room.

KPL has revised its procedures. PHMSA has reviewed KPL's amended procedures and considers this item closed.

7) §195.446(e) Alarm management

Each operator using a SCADA system must have a written alarm management plan to provide for effective controller response to alarms. An operator's plan must include provisions to:

- (1) Review SCADA safety-related alarm operations using a process that ensures alarms are accurate and support safe pipeline operations;**

KPL's procedure inadequately addresses determining if safety-related alarm data is stale or has not changed.

KPL has revised its procedures. PHMSA has reviewed KPL's amended procedures and considers this item closed.

8) §195.446(g) Operating Experience

Each operator must assure that lessons learned from its operating experience are incorporated, as appropriate, into its control room management procedures by performing each of the following:

- (1) Review accidents that must be reported pursuant to §195.50 and 195.52 to determine if control room actions contributed to the event and, if so, correct, where necessary, deficiencies related to:**

KPL's procedure inadequately addresses documentation of the review to determine if a Controller is or is not responsible for a reportable event. The process to determine whether a Controller contributed to a release or the Control Room was involved with a reportable event was not defined.

KPL has revised its procedures. PHMSA has reviewed KPL's amended procedures and considers this item closed.

9) §195.444 CPM Leak Detection

Each computational pipeline monitoring (CPM) leak detection system installed on a

hazardous liquid pipeline transporting liquid in single phase (without gas in the liquid) must comply with API 1130 in operating, maintaining, testing, record keeping, and dispatcher training of the system.

KPL's procedure inadequately addresses the documentation requirement of the initial and annual API 1130 leak detection testing. KPL lacks an adequate procedure that addresses configuration changes for leak detection and the review needed to assure leak detection remains accurate.

KPL has revised its procedures. PHMSA has reviewed KPL's amended procedures and considers this item closed.

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 thirty (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.

In correspondence concerning this matter, please refer to **CPF 3-2017-5007M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Subsequent to PHMSA's inspection, KPL provided revised procedures. Central Region personnel have reviewed the revised procedures and determined that the revisions satisfy the deficiencies identified in all of the above items. Therefore, no further action is required and this enforcement action is considered closed.

Sincerely,

Allan C. Beshore
Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Administration

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