

The redacted portion(s) is exempt under 5 U. S. C. 522 (b) (4) trade secrets and commercial or financial information obtained from a person and privileged or confidential.



October 11, 2019

Mr. Allan C. Beshore
Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Administration
U.S. Department of Transportation
901 Locust Street, Suite 462
Kansas City, Missouri 64106-2641

RE: CPF 3-2019-5021
Notice of Probable Violation and Proposed Civil Penalty
Coffeyville Resources Crude Transportation

Dear Mr. Beshore,

Coffeyville Resources Crude Transportations (CRCT) received the above referenced Notice of Probable Violation and Proposed Civil Penalty letter on September 23rd, 2019. CRCT is timely submitting written comments to Item numbers 1 and 2 and the preliminarily assessed civil penalty for Item number 1 related to the August 2018 inspection. CRCT is submitting the written comments and is not requesting a hearing under 49 CFR §1910.211.

Item number 1

§195.573 What must I do to monitor external corrosion control?

(a)....

(e) Corrective action. You must correct any identified deficiency in corrosion control as required by § 195.401(b). However, if the deficiency involves a pipeline in an integrity management program under § 195.452, you must correct the deficiency as required by § 195.452(h).

Coffeyville Resources (CRCT) failed to take corrective action to correct identified deficiencies on its corrosion control system. A review of the operator's external corrosion control inspection records found that CRCT had not completed corrective actions at three test points with low readings on non-integrity management pipe. Low readings (under 850 mV negative) were taken in 2016 and 2017 at CR 4670 North Side, CR 4601 South Side, and CR 4500 North Side. These deficiencies had not been corrected by the end of the following year.

CRCT Comment to Item number 1

CRCT has completed mitigation of the three pipe deficiencies identified and is compliant with §195.573(e). CRCT consulted with subject matter experts and determined an appropriate CP system design to achieve sufficient current. The design included installation of two rectifiers; one rectifier was put into service on February 14, 2019, located on the Fulsom Property (Oklahoma); and one rectifier put into service on April 17, 2019, located on the Alan Reed Property (Oklahoma). This comprehensive mitigation solution to upgrade the CP system was completed at a cost of [REDACTED]. The installation of the two (2) rectifiers mitigated the low readings for the three test stations identified, evidenced by the post-installation readings obtained:

Test Point Reading (mV)		
CR 4670 N	CR 4601 S	CR 4500 N
-0.937	-1.449	-0.889

Item number 2

§195.589 What corrosion control information do I have to maintain?

(a)....

(c) You must maintain a record of each analysis, check, demonstration, examination, inspection, investigation, review, survey, and test required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that corrosion requiring control measures does not exist. You must retain these records for at least 5 years, except that records related to §§195.569, 195.573(a) and (b), and 195.579(b)(3) and (c) must be retained for as long as the pipeline remains in service.

§195.573 What must I do to monitor external corrosion control?

(a) *Protected pipelines.* You must do the following to determine whether cathodic protection required by this subpart (complies with § 195.571):

(1) Conduct tests on the protected pipeline at least once each calendar year, but with intervals not exceeding 15 months. However, if tests at those intervals are impractical for separately protected short sections of bare or ineffectively coated pipelines, testing may be done at least once every 3 calendar years, but with intervals not exceeding 39 months.



Coffeyville Resources Crude Transportation (CRCT) failed to maintain records of tests conducted along its Shidler line at eight test points in accordance with §195.573(a)(1) for at least 5 years as required by §195.589(c).

CRCT Comment to Item number 2

CRCT has taken the necessary steps to ensure that test stations are inspected and records are maintained.

CRCT is committed to identify and mitigate any corrosion control deficiencies throughout its entire pipeline system. As an example of this commitment, CRCT initiated preventative and mitigative measures by conducting a system-wide close interval survey. CRCT implemented this inspection technique system wide as an operational best practice at a cost of [REDACTED], and believes it can provide important data in our pipeline integrity management program. In consideration of both CRCT's mitigation of the pipeline deficiency and our commitment to an enhanced pipeline integrity management program in corrosion control with a total investment of [REDACTED] since this audit, we respectfully request your consideration to reduce the preliminarily assessed civil penalty of \$36,900.

If you have any questions regarding the enclosed documentation, please contact Ron McGill at 918-333-4111, ext. 5014.

Sincerely,

A handwritten signature in black ink that reads "Keith Kuehn".

Keith Kuehn
Vice President, Pipelines