

December 4, 2020

Via Electronic Mail to: Gregory.ochs@dot.gov

Mr. Gregory A. Ochs, Director
Central Region, Pipeline and Hazardous Materials Safety Administration
901 Locust Street, Suite 480
Kansas City, MO 64106

Re: CPF No. 3-2020-5013M

Dear Mr. Ochs,

On November 6, 2020, Magellan Pipeline Company, L.P. ("Magellan") received a Notice of Amendment in regards to CPF 3-2020-5013M. In response to the Notice of Amendment, Magellan hereby submits the following response.

ITEM #1: § 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:

- (1) . . .**
- (2) Gathering of data needed for reporting accidents under subpart B of this part in a timely and effective manner.**

§195.52 Immediate notice of certain accidents

(d) *New information.* Within 48 hours after the confirmed discovery of an accident, to the extent practicable, an operator must revise or confirm its initial telephonic notice required in paragraph (b) of this section with a revised estimate of the amount of product released, location of the failure, time of the failure, a revised estimate of the number of fatalities and injuries, and all other significant facts that are known by the operator that are relevant to the cause of the accident or extent of the damages. If there are no changes or revisions to the initial report, the operator must confirm the estimates in its initial report.

MMP's written accident reporting procedure 13.01-ADM-001 inadequately addressed the requirements of §195.52(d) at the time of PHMSA's inspection. The procedures did not include a provision to complete a notification to the National Response Center (NRC) 48 hours after the initial accident notification for updates.

On February 1, 2019, MMP provided a screen shot of the updated/revised procedure 13.01-ADM-001 to include in Sec. 2.3.1 stating, "Complete a 48-hour update to the NRC within 48

hours of the initial notification” to PHMSA. This updated/revised procedure satisfactorily addressed the procedural inadequacy.

MAGELLAN RESPONSE:

On February 1, 2019, Magellan provided PHMSA the revision to procedure 13.01-ADM-001, Release Reporting, to meet the requirement of 195.52(d). The most current revision of procedure 13.01-ADM-001, Release Reporting, has been provided in Attachment A.

ITEM #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:

(1) . . .

(2) Gathering of data needed for reporting accidents under subpart B of this part in a timely and effective manner.

§195.54 Accident Reports

(a) Each operator that experiences an accident that is required to be reported under §195.50 must, as soon as practicable, but not later than 30 days after discovery of the accident, file an accident report on DOT Form 7000-1.

MMP’s written accident reporting procedure SIP-ADM-13.01 was inadequate because the process did not require accident reports to be submitted as soon as practicable as required by §195.54(a).

On February 5, 2019, MMP updated/revised the procedure SIP-ADM-13.01 to state, "Prepare and submit original reports using the DOT Jurisdictional Pipeline Release Reporting Process for all DOT jurisdictional releases as soon as practicable, but not later than 30 days of discovering the release." This was provided to PHMSA per email from MMP on August 5, 2019. This updated/revised procedure satisfactorily addressed the procedural inadequacy.

MAGELLAN RESPONSE:

On February 5, 2019, Magellan provided PHMSA the revision to procedure SIP-ADM-13.01, Incident Reporting, to meet the requirement of 195.54. The most current revision of procedure SIP-ADM-13.01, Incident Reporting, has been provided in Attachment B.

ITEM #3: § 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:

(1) . . .

(2) Gathering of data needed for reporting accidents under subpart B of this part in a timely and effective manner.

§195.432 Inspection of in-service breakout tanks

(a) Except for breakout tanks inspected under paragraphs(b) and (c) of this section, each operator shall, at intervals not exceeding 15 months, but at least once each calendar year, inspect each in-service breakout tank.

MMP's written Static Tank Check procedure SIP- 9.01-ADM-022 was inadequate because the process did not define how MMP determines the tank levels reach at least half full, while inspecting each in-service special permit tank, as required by Docket Number PHMSA-2016-0072 condition 2.

On May 14, 2019, MMP updated/revised the procedure SIP- 9.01-ADM-022 defining that tanks in product service should be half full, using Normal Top levels, if possible, which satisfied the above inadequacies.

MAGELLAN RESPONSE:

On May 14, 2019, Magellan provided PHMSA the revision to procedure 9.01-ADM-022, Static Tank Check, to meet 195.432 and Docket Number PHMSA-2016-0072 condition 2. Magellan has developed a Special Permit Tank Dashboard to assist the Field Operations Team with the "Normal Top" levels for each of the Special Permit tanks. The most current revision of procedure 9.01-ADM-022, Static Tank Check, has been provided in Attachment C.

ITEM #4: §195.452 Pipeline integrity management in high consequence areas.

(f) *What are the elements of an integrity management program? An integrity management program begins with the initial framework. An operator must continually change the program to reflect operating experience, conclusions drawn from results of the integrity assessments, and other maintenance and surveillance data, and evaluation of consequences of a failure on the high consequence area. An operator must include, at minimum, each of the following elements in its written integrity management program:*

(1) ...

(4) *Criteria for remedial actions to address integrity issues raised by the assessment methods and information analysis (see paragraph (h) of this section);*

MMP's written integrity management plan (IMP), specifically the In-Line Inspection Analysis Guidelines (7.03-ADM-007), inadequately stated when a 'discovery of a condition' occurs as outlined in §195.452(h)(2).

Section 195.452(f)(4) requires that criteria contained within paragraph (h) of §195.452 is met within the operator's IMP procedures. Section 195.452(h)(2) states:

"Discovery of condition. Discovery of a condition occurs when an operator has adequate information about the condition to determine that the condition presents a potential threat to the integrity of the pipeline. An operator must promptly, but no later than 180 days after an integrity assessment, obtain sufficient information about a condition to make that determination, unless the operator can demonstrate that the 180-day period is impracticable."

Based on this inadequacy, MMP needed to further refine its definition of date of discovery and establish when adequate information about the condition of a pipeline segment has been received to determine if it presents a potential threat to the integrity of the pipeline.

On November 21, 2019, PHMSA received the amended procedure 7.03-ADM-007 from MMP which satisfied the above inadequacies.

MAGELLAN RESPONSE:

On November 21, 2019, Magellan provided PHMSA the revisions to 7.03-ADM-007, In-Line Inspection Analysis Guidelines, to clarify the date of discovery per the requirement of 195.452(f)(4). The most current revision of procedure 7.03-ADM-007, In-Line Inspection Analysis Guidelines, has been provided in Attachment D.

If you have any questions or need additional information, please contact me by phone at (918) 574-7073 or e-mail at mark.materna@magellanlp.com to discuss.

Sincerely,



Mark Materna
Director, Pipeline Integrity

Cc: Jason Smith, Vice President, Asset Integrity, Magellan