

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: Todd.Denton@p66.com and Jeff.M.Blatchford@p66.com

November 5, 2020

Mr. Todd Denton
President, Phillips 66 Pipeline LLC
2331 Citywest Blvd
Houston, TX 77042

CPF 3-2020-5027M

Dear Mr. Denton:

On March 25 – 29 and September 9 - 13, 2019, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Phillips 66 Pipeline LLC's (Phillips 66) procedures for an Integrated Inspection in Houston, Texas and Keene, North Dakota.

On the basis of the inspection, PHMSA has identified the apparent inadequacy found within Phillips 66's plans or procedures, as described below:

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:

(13) Periodically reviewing the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and taking corrective action where deficiencies are found.

Phillip 66's Operation and Maintenance (O&M) manual is inadequate because it did not sufficiently address periodically reviewing the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and take corrective action where deficiencies are found. Procedure "P66-TSD-0103 Personnel Knowledge Verification & Emergency Response Training" was shown to PHMSA in response to an inquiry regarding this regulatory requirement. Accompanying the procedure is form "P66-TSD-0103A Annual Review Checklist for Field Employees." Phillips 66 uses this procedure and form to demonstrate personnel knowledge, proficiency, and ability to perform operating and maintenance functions rather than reviewing the work done by operator personnel to determine the effectiveness of the procedures as required by §195.402(c)(13).

Specifically, the procedure did not clearly state how often an effectiveness review will occur for each procedure used in normal operation and maintenance activities. Also, the procedure did not provide clear direction on how the review of work done by personnel will be performed to determine the effectiveness of the procedures.

Phillips 66 must amend its procedures to address the inadequacies identified above in order to ensure the procedure adequately meets the requirements of §195.402(c)(13).

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under §190.211. 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 an Order Directing Amendment. If 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. § 190.206). 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 Phillips 66 Pipeline LLC maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment

(preparation/revision of plans, procedures) and submit the total to Allan C. Beshore, Director, Central Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 3-2020-5027M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Gregory A. Ochs
Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Administration

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

cc: Jeff Blatchford, DOT Coordinator, Jeff.M.Blatchford@p66.com