

## NOTICE OF AMENDMENT

**VIA ELECTRONIC MAIL TO:** [jeff.ramsey@fhr.com](mailto:jeff.ramsey@fhr.com) , and [kim.gerold@fhr.com](mailto:kim.gerold@fhr.com)

April 23, 2021

Mr. Jeff Ramsey  
President and CEO  
Flint Hills Resources, LLC  
4111 E. 37th Street North  
Wichita, KS 67220

**CPF 3-2021-031-NOA**

Dear Mr. Ramsey:

From November 28, 2017, through September 7, 2018, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), and the Minnesota Office of Pipeline Safety (MNOPS) pursuant to Chapter 601 of 49 United States Code Part 195, inspected Flint Hills Resources, LC (FHR) procedures for its Minnesota and Southern Crude system and Northern Operations Group (NOG).

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

**1. § 195.402 Procedural manual for operations, maintenance, and emergencies**

- (a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made a necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.**

FHR's Operations and Maintenance (O&M) Liquids Manual (M1410.100, Version 34.0) fails to require an annual review, at intervals not exceeding 15 months, of the incorporated-by-reference "OPA 90 – Pipeline Facility Emergency Response Plan" (Emergency Response Plan), and is therefore inadequate to comply with § 195.402(a). The O&M Liquids Manual, Section 2.2.7, references the Emergency Response Plan Section 2, "Initial Response Actions". However, the Emergency Response Plan specifies a review once every 5 years in Section 1.2. FHR's O&M Liquids Manual and associated records do not result in confirmation that Section 2 of the Emergency Response Plan has been reviewed once each calendar year, at intervals not exceeding 15 months. While the O&M Liquids Manual does have a general scope and intent of an annual review, not to exceed 15 months, the procedure does not specifically require a corresponding annual review of the Emergency Response Plan.

The O&M Liquids Manual and Emergency Response Plan must be amended to adequately address the annual review requirements of § 195.402(a).

**2. § 195.402 Procedural manual for operations, maintenance, and emergencies**

- (a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made a necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.**

FHR's O&M Liquids Manual fails to require verification of emergency contacts during the annual review at intervals not exceeding 15 months as required by § 195.402(a). The O&M Liquids Manual, Section 6.15.2, states, "A review of the notification requirements and emergency numbers (both within the Company and with outside agencies) should be included in the discussion and review." The O&M Liquids Manual, Section 2.2.3, references, "OPA 90 -

Pipeline Facility Emergency Response Plan”, which includes emergency contact information in Section 3, “Notifications/Telephone Numbers”. However, the O&M Liquids Manual does not require that the emergency contacts identified in the Pipeline Facility Response Plan be reviewed, confirmed or changed as necessary to ensure the manual is effective.

The O&M Liquids Manual must be amended to adequately address the handling of emergencies requirement of § 195.402(a).

**3. § 195.402 Procedural manual for operations, maintenance, and emergencies**

- (a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made a necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.**

FHR’s O&M Liquids Manual is inadequate as it does not contain a cross reference to specific Emergency Response Plans and applicable zones. Both Section 2.2.3 and Section 2.2.7 of the O&M Liquids Manual reference the Emergency Response Plan. However, FHR has an Emergency Response Plan for each zone: The Wood River Zone and the Minnesota Zone. The O&M Liquids Manual does not indicate when the applicable zone is to be utilized for emergency response. Each of these zones have different emergency contacts and notifications.

The O&M Liquids Manual must be amended to adequately address the handling of emergencies requirement of § 195.402(a).

**4. § 195.402 Procedural manual for operations, maintenance, and emergencies**

- (a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made a necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.**

FHR's O&M Liquids Manual, Section 6.13, fails to adequately address verification of emergency response training for supervisors, and is therefore inadequate to comply with the requirements of § 195.403(c). While the process indicates that supervisors are to be trained in emergency response procedures for which they are responsible, the procedures failed to address how FHR verifies supervisors' thorough knowledge of the emergency response procedures for which they are responsible.

FHR commented that, while it is not outlined in any written procedure, supervisors do participate in, or are required to have, training identified in VTA Learner, such as Emergency Response Initial Actions Course (SAFTML132), and to participate in drills. In addition, FHR's Emergency Response Plan does require additional training for Qualified Individuals. However, the procedures failed to address how FHR verifies supervisors' thorough knowledge of the different responsibilities identified in the Emergency Response Plan. Moreover, the respective Emergency Response Plans, the Minnesota Zone plan and the Wood River Zone plan, identified three different "types" of supervisors with different responsibilities: Division Supervisors (DIVS) Responsibilities, Supervisors, listed in "Common Responsibilities," and Operations Supervisors, that are Qualified Individuals, identified in Section 4.5. FHR failed to make any delineation, if any, between the different supervisors as to what trainings they would need and how to verify each supervisor's knowledge of the respective emergency response procedures.

FHR must amend its procedures to adequately address the requirements of § 195.402(a) to require verification of supervisor training under § 195.403(c).

## **5. § 195.402 Procedural manual for operations, maintenance, and emergencies**

- (a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made a necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.**

FHR's O&M Liquids Manual fails to adequately identify which valves are necessary for the safe operation of its pipeline system, and is therefore inadequate to comply with the requirements of § 195.420(a). During the inspection, FHR failed to provide any procedure that explained how FHR determined valves to be necessary for the safe operation of the pipeline system, or who makes this determination.

FHR must amend its procedures to adequately address the requirements of § 195.420(a).

6. **§ 195.402 Procedural manual for operations, maintenance, and emergencies**
  - (a) . . .
  - (e) **Emergencies. The manual required by paragraph (a) of this section must include procedures for the following to provide safety when an emergency condition occurs:**
    - (3) **Having personnel, equipment, instruments, tools, and material available as needed at the scene of an emergency.**

FHR's O&M Liquids Manual fails to address having personnel, equipment, instruments, tools, and material available as needed at the scene of an emergency relevant to employees, and is therefore inadequate to comply with the requirements of § 195.402(e)(3). Section 2.2.1 of the O&M Liquids Manual states, "This procedure is intended to cover emergency situations generally, and applies to Company personnel."

FHR's O&M Liquids Manual, Section 3.2.16 establishes the steps FHR will take to minimize the likelihood of accidental ignition of vapors, but fails to specify any equipment, instruments, or tools FHR will provide when an emergency condition occurs.

In addition to the procedure sections outlined above, the Oil Spill Removal Organization (OSRO) equipment list outlined in Appendix B of the Emergency Response Plan does not indicate equipment that would be required by company personnel in the event of an emergency.

Although FHR's procedures reference OSRO emergency responder personnel and equipment, the procedures do not reference equipment, instruments, or tools that could be made available when an emergency condition occurs. For example, neither the O&M Liquids Manual or the Emergency Response Plan had specific procedures that reference air-monitoring equipment and its use.

FHR must amend their procedures to adequately address the requirements of § 195.402(e)(3).

#### 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 Enforcement 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 60 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 Flint Hills Resources, LC maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Gregory A. Ochs, Director, Central Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to CPF 3-2021-031-NOA 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: Kimberly A. Gerold, Manager, Pipeline Safety, [kim.gerold@fhr.com](mailto:kim.gerold@fhr.com)