

DEC 17 2009

Mr. Brian S. Coffman
President
ConocoPhillips Pipe Line Company
600 North Dairy Ashford
Houston, TX 77079

Re: CPF No. 4-2008-5011

Dear Mr. Coffman:

Enclosed is the Final Order issued in the above-referenced case. It makes findings of violation and finds that you have completed the actions specified in the Notice that were required in order for ConocoPhillips to comply with the pipeline safety regulations. This case is now closed. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. Rodrick M. Seeley
Director, Southwest Region, PHMSA

Mr. Todd Tullio
Director, Regulatory Compliance
ConocoPhillips Pipe Line Company
1000 South Pine
Ponca City, OK 76602

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED[7005 0390 0005 6162 5241]

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

)	
In the Matter of)	
)	
ConocoPhillips Pipe Line Company,)	CPF No. 4-2008-5011
)	
Respondent.)	
)	

FINAL ORDER

On September 10–21, 2007, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of ConocoPhillips Pipe Line Company (ConocoPhillips or Respondent). The inspection involved the company’s 8-inch highly volatile liquid (HVL) pipeline running from Skellytown, Texas, to Mont Belvieu, Texas. ConocoPhillips owns or operates approximately 11,000 miles of natural gas, crude, petroleum products, and HVL pipelines worldwide.

As a result of the inspection, the Director, Southwest Region, OPS (Director), issued to Respondent, by letter dated April 8, 2008, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. §§ 195.412 and 195.583 and proposed ordering Respondent to take certain measures to correct the alleged violations. The Notice also proposed finding that Respondent had committed a probable violation of 49 C.F.R. § 195.410 and warning the company to take appropriate corrective action or be subject to future enforcement action.

ConocoPhillips responded to the Notice by letters dated May 5, August 5, and September 29, 2008 (collectively, Response). Respondent did not contest the allegations of violation and provided information concerning the corrective actions it had taken. Respondent did not request a hearing and therefore has waived its right to one.

FINDINGS OF VIOLATION

In its Response, ConocoPhillips did not contest the allegations in the Notice that it violated 49 C.F.R. Part 195, as follows:

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 195.412(a), which states:

§ 195.412 Inspection of rights-of-way and crossings under navigable waters.

(a) Each operator shall, at intervals not exceeding 3 weeks, but at least 26 times each calendar year, inspect the surface conditions on or adjacent to each pipeline right-of-way. Methods of inspection include walking, driving, flying or other appropriate means of traversing the right-of-way.

The Notice alleged that ConocoPhillips failed to properly inspect the surface conditions on or adjacent to its pipeline right-of-way. Specifically, it alleged that the company had not adequately maintained its pipeline right-of-way to allow aerial inspections, which was its preferred method of inspection. The Notice alleged that locations along the pipeline were overgrown with vegetation, including bushes, weeds, and trees, which obscured the pipeline markers and made it difficult to determine the pipeline route. Respondent did not contest this allegation. Accordingly, I find that Respondent violated 49 C.F.R. § 195.412(a) by failing to properly inspect the surface conditions on or adjacent to its pipeline right-of-way via aerial inspection.

Item 3: The Notice alleged that Respondent violated 49 C.F.R. § 195.583(c), which states:

§ 195.583 What must I do to monitor atmospheric corrosion control?

(a)

(c) If you find atmospheric corrosion during an inspection, you must provide protection against the corrosion as required by § 195.581.

The Notice alleged that Respondent failed to provide protection against atmospheric corrosion, as required by § 195.581, that had been found during an inspection. Specifically, it alleged that several areas of exposed pipeline on the Skelly Belvieu unit exhibited heavy oxidation and that other areas exhibited light rust that had not been properly protected. Additionally, it alleged that a significant portion of the pipeline needed to be painted. Respondent did not contest this allegation of violation. Accordingly, I find that Respondent violated 49 C.F.R. § 195.583(c) by failing to protect areas of oxidation and rust on its pipeline in order to protect against atmospheric corrosion, as required by § 195.581.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Items 1 and 3 in the Notice for violations of 49 C.F.R. §§ 195.412(a) and 195.583(c), respectively. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. The Director has indicated that Respondent has taken the following actions specified in the proposed compliance order:

With respect to Item 1, Respondent has cleared the areas of concern and provided a

schedule showing when the work was completed, as well as photographs of the completed work.

With respect to Item 3, Respondent has repaired the areas identified in the inspection and provided photographs of the completed repairs.

Accordingly, since compliance has been achieved with respect to these violations, the compliance terms are not included in this Order.

WARNING ITEM

With respect to Item 2, the Notice alleged a probable violation of Part 195 but did not propose a civil penalty or compliance order for the Item. Therefore, this is considered to be a warning item. The warning was for:

49 C.F.R. § 195.410(a) (Notice Item 2) – Respondent’s alleged failure to have an adequate number of pipeline markers along its right-of-way so that the location of the pipeline is accurately known.

Respondent stated in its Response that it will continue its program to monitor and add line markers in the requisite areas. Having considered such information, I find, pursuant to 49 C.F.R. § 190.205, that probable violations of 49 C.F.R. § 195.410(a) (Notice Item 2) have occurred and Respondent is hereby advised to correct such conditions. In the event that OPS finds a violation for any of these items in a subsequent inspection, Respondent may be subject to future enforcement action.

Under 49 C.F.R. § 190.215, Respondent has a right to submit a Petition for Reconsideration of this Final Order. The petition must be received within 20 days of Respondent’s receipt of this Final Order and must contain a brief statement of the issue(s). The terms of the order, including any required corrective action, shall remain in full force and effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Final Order shall be effective upon receipt.

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Date Issued