

**Valero**

**CPF 4-2009-5003M**

**Exhibit 1 - A**

## IMP 102: Field HCA Identification and Review

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### Introduction

As part of its high consequence area (HCA) identification process and its Continual Evaluation process, Valero Energy Corporation (the Company) developed a technically sound and repeatable procedure through which the Company has direct input into the identification and review of HCA segments applicable to its pipelines. Using the procedure outlined here, the Company reports any activities or changes on its respective pipeline systems that directly impact or could affect an identified or potential HCA.

### Regulation

§195.452(f) specifies that an operator must include, at minimum, in each written integrity management program, a process for identifying which pipeline segments and facilities could have an impact on public safety, the environment, or that *could affect* a high consequence area in the event of a failure.

§195.452(d) (3) refers to newly-identified areas. Specifically, in section (i) the regulation refers to instances when information is available from the information analysis, or from Census Bureau maps, where the population density around a pipeline segment has changed so as to fall within the definition in §195.450 of a high population area or other populated area. In such instances, the operator must incorporate the area into its baseline assessment plan as a high consequence area within one year from the date it identifies the area.

### Scope

This procedure applies to all liquid pipeline systems and breakout tanks operated by the Company. This procedure is applicable to the identification of new HCA segments along Company pipeline systems and review of existing HCA segments.

### Frequency

The Company shall perform this task at least once per year not to exceed 15 months and shall complete a Baseline Assessment on newly identified HCA segments within five years from the date a new area is identified.

### Procedure Overview

The Company monitors its pipeline and conducts on-going segment identification and review as well as an annual review of the HCA segments. The annual review is in conjunction with its scheduled IMP Annual Review. Throughout the year, Business Unit personnel monitor and report potential HCAs, any changes to the pipeline or pipeline environment and terrain, and other identified areas to the Corporate IMP Team through e-mail and note areas of change on the Field HCA Identification and Review form if the areas represent new or modified HCAs.

**NOTE:** The Company completes all of the steps in this procedure unless stated otherwise.

The individual Business Unit personnel gather and submit data to their respective Business Unit Asset Managers, who review the data and submit it to the Corporate IMP Team. After reviewing, the Corporate IMP Team will then review the information and initiate HCA analyses if necessary.

The process of identifying hazardous liquid pipelines and facilities that could affect an HCA contains the following steps.

- 1) On-Going HCA Segment Field Review
- 2) Annual IMP Review

## Resources

This procedure begins with identifying the pipeline segments that directly intersect or could affect an HCA. Use the following resources to complete the tasks specified in this procedure.

- ◆ HCA Maps
- ◆ HCA Definitions – shown in the IMP Plan Definitions
- ◆ Buffer Zone and Spill Plume Characteristics – shown in the IMP Plan Definitions
- ◆ IMP 101 HCA Segment Identification

### 1. On-Going HCA Segment Field Review (Business Units)

- 1) Review Definitions, Maps, and Potential Identified Areas.
  - a) Review the following terms to understand what constitutes an HCA:
    - ◆ High Population Area (HPA)
    - ◆ Other Populated Area (OPA)
    - ◆ Commercially Navigable Waterway (CNW)
    - ◆ Unusually Sensitive Areas (USA)
    - ◆ Other Identified Areas (OIA)
  - b) Review HCA maps applicable to respective pipeline systems to become familiar with HCAs and *Could Affects* already identified or areas that are in close proximity to Company pipelines.
  - c) Review the pipeline buffer zones or spill plumes to become familiar with the area that could be impacted by a pipeline release.
  - d) Review the following for potential HCA areas for which a pipeline release could be significant.
    - ◆ Terrain surrounding the pipeline or facility
    - ◆ Proximity to schools, hospitals, or similar structures
    - ◆ New housing subdivisions
    - ◆ Expansion of existing subdivisions
    - ◆ New mobile home parks
    - ◆ Expansion of existing mobile home parks
    - ◆ New manmade lakes
    - ◆ Proximity to water bodies not included on current maps
    - ◆ New parks
    - ◆ Environmental areas not included on current maps
    - ◆ Drainage systems such as small streams and other smaller waterways (any waterway that could serve as a conduit to an HCA)
    - ◆ Crossing of farm field tiles
    - ◆ Crossing of roadways with ditches along the side
    - ◆ Physical support of a pipeline segment such as by a cable suspension bridge
    - ◆ National Parks
    - ◆ Fish Hatcheries

- ◆ Places where people congregate (e.g., churches, assisted living centers, prisons, shopping malls, ball parks, and stadiums)
  - ◆ Other identified areas
- 2) Monitor activity or change around the pipeline or within a buffer zone or release plume area that could present a potential problem.
  - 3) Identify potential new or changed HCAs
    - a) Identify specific locations of all pipelines and facilities that could affect HCAs by performing the following:
      - i) Refer to the Company list of all pipelines that are regulated by *49 CFR Part 195*, which should include any pipe that may fall outside any previously conducted pipeline HCA analysis.
      - ii) Review the physical location of each pipeline, using any maps and/or other spatial representations of pipeline available.
      - iii) Review the area that the pipeline or facility potentially could affect.
      - iv) Review plot plans and shape files and, if necessary, conduct personnel interviews to determine the extent of regulated piping, tanks, and/or equipment.
    - b) Review list of pipeline facilities in HCAs by referring to the complete list of facilities that could affect an HCA. This list includes pipeline appurtenances, specifications, and facility information, such as valves, emergency flow restriction devices (EFRDs), casings, and cathodic protection devices.
  - 4) Report Potential HCA Changes to the Corporate IMP Team.
    - a) The Asset Manager of each Business Unit communicates as necessary with the Corporate IMP Team to provide information on potential new or changed HCAs and to verify the quality and accuracy of the spatial analysis results as follows:
      - i) The Corporate IMP Team maintains current HCA maps and HCA segment lists and provides this information to the Asset Manager of each Business Unit for Field Verification.
      - ii) Business Unit Personnel identify additional, potential HCAs if applicable
    - b) After identifying a potential new or changed HCAs, the Asset Managers communicate (i.e., e-mail) the information to the Corporate IMP Team.
    - c) Give location of potential new or changed HCA using one or more of the following methods of pipeline location identification.
      - ◆ GPS
      - ◆ Station numbers
      - ◆ Mileposts
      - ◆ Driving directions
    - d) Describe the changes at or near the identified location.
  - 5) The Corporate IMP Team adds review of any potential or changed HCAs to the agenda of the Annual IMP Review Meeting.

**NOTE:** The Corporate IMP Team has the option to initiate additional HCA analyses during the year, if needed.

## 2. Annual IMP Review Meeting

- 1) Prior to the Annual IMP Review Meeting, the Corporate IMP Team reviews the data submitted from the Asset Managers of each Business Unit and reviews the HCA maps for potential changes.

- 2) During the designated HCA Segment Review section of the meeting, the Corporate IMP Team and Business Unit Asset Managers present information on the potential areas and rationale for inclusion as an HCA segment or reason for change in HCA boundaries.
- 3) The Corporate IMP Team forwards information on potential new or changed HCA segments to Corporate GIS or the Integrity Management Consulting Services Provider for analysis.
- 4) Corporate GIS or the Integrity Management Consulting Services Provider analyzes the provided data, updates HCA maps as needed, and sends revised or new maps to the Company.
- 5) The Corporate IMP Team posts the new or revised maps to the Integrity Management Program on the Company intranet portal, files the maps in accordance with RIMS, and integrates this updated information into the risk database.
- 6) The Corporate IMP Team sends e-mail notification that new HCA maps are available and includes link to IMP website location.

**NOTE:** The Company's process does not allow revisions to segment identification analysis to avoid remediation of assets.

### **3. Documentation and Record Retention**

The Business Unit Asset Manager or his designee shall complete the HCA Review and Update Form and submit it to the Senior Manager of Regulatory Compliance within 10 days of receiving notification to perform the annual review. The Senior Manager of Regulatory Compliance shall file the completed forms per RIMS. RIMS specifies that all documentation resulting from Integrity Management activities shall be retained for the life of the pipe.



## IMP 102: Field HCA Identification and Review

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### Introduction

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### Scope

This procedure applies to all liquid pipeline systems and breakout tanks operated by the Company. This procedure is applicable to the identification of new HCA segments along Company pipeline systems and review of existing HCA segments.

### Frequency

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**NOTE:** The Company completes all of the steps in this procedure unless stated otherwise.

The individual Business Unit personnel gather and submit data to their respective Business Unit Asset Managers, who review the data and submit it to the Corporate IMP Team. After reviewing, the Corporate IMP Team will then review the information and initiate HCA analyses if necessary. ~~sends the data to Integrity Management Consulting Services Provider.~~



## Liquid Pipeline Integrity Management Program IMP 102: Field HCA Identification and Review

The process of identifying hazardous liquid pipelines and facilities that could affect an HCA contains the following steps.

- 1) On-Going HCA Segment Field Review
- 2) Annual IMP Review

### Resources

This procedure begins with identifying the pipeline segments that directly intersect or could affect an HCA. Use the following resources to complete the tasks specified in this procedure.

- ◆ ~~HCA Maps – Business Units can access a pipeline system's current HCA maps on the IMP intranet portal.~~
- ◆ HCA Definitions – shown in the IMP Plan Definitions
- ◆ Buffer Zone and Spill Plume Characteristics – shown in the IMP Plan Definitions
- ◆ IMP 101 HCA Segment Identification

### 1. On-Going HCA Segment Field Review (Business Units)

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    - ◆ Unusually Sensitive Areas (USA)
    - ◆ Other Identified Areas (OIA)
    - ◆ ~~Buffer Zone~~
    - ◆ ~~Spill Plume~~
    - ◆ ~~Could Affects~~
    - ◆ ~~Pipeline and Hazardous Materials Safety Administration (PHMSA)~~
    - ◆ ~~Field identification of HCAs~~
  - b) Review HCA maps applicable to respective pipeline systems to become familiar with HCAs and *Could Affects* already identified or areas that are in close proximity to Company pipelines.

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**NOTE:** HCA maps are available on the Company intranet within the IMP intranet portal.

- c) Review the pipeline buffer zones or spill plumes to become familiar with the area that could be impacted by a pipeline release.
- d) Review the following for potential HCA areas for which a pipeline release could be significant.
  - ◆ Terrain surrounding the pipeline or facility
  - ◆ Proximity to schools, hospitals, or similar structures
  - ◆ New housing subdivisions
  - ◆ Expansion of existing subdivisions
  - ◆ New mobile home parks
  - ◆ Expansion of existing mobile home parks
  - ◆ New manmade lakes
  - ◆ Proximity to water bodies not included on current maps
  - ◆ New parks
  - ◆ Environmental areas not included on current maps



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- ◆ Drainage systems such as small streams and other smaller waterways (any waterway that could serve as a conduit to an HCA)
  - ◆ Crossing of farm field tiles
  - ◆ Crossing of roadways with ditches along the side
  - ◆ Physical support of a pipeline segment such as by a cable suspension bridge
  - ◆ National Parks
  - ◆ Fish Hatcheries
  - ◆ Places where people congregate (e.g., churches, assisted living centers, prisons, shopping malls, ball parks, and stadiums)
  - ◆ Other identified areas
- 2) Monitor activity or change around the pipeline or within a buffer zone or release plume area that could present a potential problem.
- 3) Identify potential new or changed HCAs
- a) Identify specific locations of all pipelines and facilities that could affect HCAs by performing the following:
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  - ii) Business Unit Personnel identify additional, potential HCAs if applicable
- b) After identifying a potential new or changed HCAs, the Asset Managers communicate (i.e., e-mail) the information to the Corporate IMP Team.
- c) Give location of potential new or changed HCA using one or more of the following methods of pipeline location identification.
- ◆ GPS
  - ◆ Station numbers
  - ◆ Mileposts
  - ◆ Driving directions
- d) Describe the changes at or near the identified location.
- 5) The Corporate IMP Team adds review of any potential or changed HCAs to the agenda of the Annual IMP Review Meeting.

**NOTE:** The Corporate IMP Team has the option to ~~request~~<sup>initiate</sup> additional HCA analyses ~~from the Integrity Management Consulting Services Provider~~ during the year, if needed.





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## 2. Annual IMP Review Meeting

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## 3. Documentation and Record Retention

The Business Unit Asset Manager or his designee shall complete the HCA Review and Update Form and submit it to the Senior Manager of Regulatory Compliance within 10 days of receiving notification to perform the annual review. The Senior Manager of Regulatory Compliance shall file the completed forms per RIMS. RIMS specifies that all documentation resulting from Integrity Management activities shall be retained for the life of the pipe.

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**Exhibit 1 - B**



## FIELD HCA IDENTIFICATION AND REVIEW

Distribution		
Original: RIMS	Copies: Asset Manager and Corporate IMP Team	Record Retention: Per RIMS

**DIRECTIONS:** Review and answer the pipeline segment factors below as accurately as possible. Use this information and the process in IMP 102 – Field HCA Identification and Review to review HCA segments within your Business Unit to report any activities or changes to your respective pipeline system that directly impacts or could affect an identified or potential HCA.

**NOTE:** Business Units must complete this review form annually, even if no changes have been noted, and submit it to the Corporate IMP Team prior to the Annual IMP Review Meeting.

PIPELINE/SEGMENT INFORMATION			
Business Unit:			
Pipeline Name:	Segment:	Type of Product:	
Segment Length:                      mi	Line Pressure:                      psi	Pipe OD:	in.

Review the following potential areas of concern for which a pipeline release could be significant. Identify the location and describe the condition. Review the Terms and Definitions below to understand what constitutes an HCA.

AREAS FOR REVIEW FOR <i>NEW OR CHANGED</i> HCAS		
Terrain surrounding the pipeline or facility	Yes <input type="checkbox"/> No <input type="checkbox"/>	Location/Condition:
Proximity to schools, hospitals, or similar structures	Yes <input type="checkbox"/> No <input type="checkbox"/>	Location/Condition:
New housing subdivisions	Yes <input type="checkbox"/> No <input type="checkbox"/>	Location/Condition:
Expansion of existing subdivisions	Yes <input type="checkbox"/> No <input type="checkbox"/>	Location/Condition:
New mobile home parks	Yes <input type="checkbox"/> No <input type="checkbox"/>	Location/Condition:
Expansion of existing mobile home parks	Yes <input type="checkbox"/> No <input type="checkbox"/>	Location/Condition:
New manmade lakes	Yes <input type="checkbox"/> No <input type="checkbox"/>	Location/Condition:
Proximity to water bodies not included on current maps	Yes <input type="checkbox"/> No <input type="checkbox"/>	Location/Condition:
New parks	Yes <input type="checkbox"/> No <input type="checkbox"/>	Location/Condition:
Environmental areas not included on current maps	Yes <input type="checkbox"/> No <input type="checkbox"/>	Location/Condition:



<b>AREAS FOR REVIEW FOR NEW OR CHANGED HCAS</b>		
<b>Drainage systems (any waterway that could serve as a conduit to an HCA)</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<b>Location/Condition:</b>
<b>Farm field tiles (irrigation ditches)</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<b>Location/Condition:</b>
<b>Crossing of roadways with ditches along the side</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<b>Location/Condition:</b>
<b>Physical support of a pipeline segment such as by a cable suspension bridge</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<b>Location/Condition:</b>
<b>National parks</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<b>Location/Condition:</b>
<b>Fish Hatcheries</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<b>Location/Condition:</b>
<b>Places where people congregate (e.g., churches, assisted living centers, prisons, shopping malls, ball parks, and stadiums)</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<b>Location/Condition:</b>
<b>Other areas of concern</b>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<b>Location/Condition:</b>

<b>HCA TERMS AND DEFINITIONS</b>	
<b>High Population Area (HPA)</b>	An area that contains 50,000 or more people and has a population density of at least 1000 people per square mile.
<b>Other Populated Area (OPA)</b>	A place that contains a concentrated population, such as an incorporated or unincorporated city, town, village, or other designated residential or commercial area.
<b>Commercially Navigable Waterway (CNW)</b>	A waterway where a substantial likelihood of commercial navigation exists. These waterways are identified in the National Waterway Network; a geographic database created by the National Waterways Geographic Information System (GIS) Design Committee.
<b>Unusually Sensitive Area (USA)</b>	Drinking water and ecological resources that are unusually sensitive to environmental damage from hazardous liquid pipeline releases.
<b>Other Identified Area (OIA)</b>	Areas that the field operations personnel have identified that would be sensitive to a pipeline failure.