

## WARNING LETTER

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 12, 2010

Rod Sands  
Explorer Pipeline Company  
President and Chief Executive Officer  
PO Box 2650  
Tulsa, OK 74101

**CPF 4-2010-5001W**

Dear Mr. Sands:

During the Months of April, May, and June, 2009, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code conducted pipeline safety inspections of Explorer Pipeline Company's (Explorer) facilities and records in Illinois, Oklahoma, and Texas.

As a result of the inspections, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation(s) are:

- 1. §195.571 What criteria must I use to determine the adequacy of cathodic protection?**  
**Cathodic protection required by this subpart must comply with one or more of the applicable criteria and other considerations for cathodic protection contained in paragraphs 6.2 and 6.3 of NACE Standard RP 0169 (incorporated by reference, *see* §195.3).**

Explorer did not meet the applicable cathodic protection (CP) criteria, as specified by NACE Standard RP0169-2002, for annual pipe-to-soils and tank bottom-to soil annual surveys (AS) at some test locations for consecutive years, as follows:

- Tank 4001 (Houston area) – Low for 2 consecutive AS – 0.838 (2/28/08) and 0.821 (1/24/09)

- 10” Hearne to Lake Creek (Houston area) – MP 150.52 – Low for 2 consecutive AS - 0.691 (6/19/08) to 0.71 (4/7/09)
- Tank 390 (Glenpool area) – Low for 2 consecutive AS – 0.564 (7/9/07) and 0.691 (9/4/08)
- Tank 250 (Greenville area) – Low for 3 consecutive AS – 0.805 (6/4/07), 0.82 (7/29/08), and 0.71 (4/9/09)
- Tank 120 (Port Arthur area) – Low for 2 consecutive AS – 0.67 (11/14/07) and 0.608 (11/4/08).

**2. §195.573 What must I do to monitor external corrosion control?**

**(c) Rectifiers and other devices. You must electrically check for proper performance each device in the first column at the frequency stated in the second column.**

<b>Device</b>	<b>Check Frequency</b>
<b>Rectifier Reverse current switch Diode Interference bond whose failure would jeopardize structural protection</b>	<b>At least six times each calendar year, but with intervals not exceeding 2½ months</b>
<b>Other interference bond</b>	<b>At least once each calendar year, but with intervals not exceeding 15 months</b>

Explorer utilizes the Pipeline Watchdog® remote web monitoring system (access data via the internet) to electrically check for proper performance of each rectifier. The Watchdog® remote web monitoring system allows real-time viewing of rectifier performance and provides for alarms to be set for abnormal operation; and once a month, the Proactive® corrosion protection database program extracts data from the Watchdog® program and produces a report to show compliance with 195.573(c). Based on a review of records, Explorer did not capture the information from Watchdog® into the Proactive® corrosion protection database to demonstrate compliance for inspections within required frequencies by exceeding the 2½ months maximum allowed in Explorer’s procedures and federal regulations, as follows:

- Rectifier CPL 1095: 03/11/08 to 06/17/08.
- Rectifier CPL 1350: 03/11/08 to 06/17/08; 06/17/08 to 10/09/08.
- Rectifier CPL 1352: 07/15/08 to 10/10/08.
- Rectifier CPL 1578: 03/13/08 to 06/23/08.
- Rectifier ES-236: 08/15/08 to 11/13/08.
- Rectifier ES-241: 01/13/08 to 05/20/08.
- Rectifier CPL 1587: 04/18/08 to 07/09/08; 07/09/08 to 09/29/08.
- Rectifier CPL 1089: 04/30/08 to 09/21/08.
- Rectifier CPL 1105 (Allendale): 02/28/08 to 10/16/08.
- Rectifier CPL 0.06 (Allendale): 04/22/08 to 10/16/08.

- Rectifier CPL 0.74 (Allendale to N. Allendale): 02/28/08 to 10/16/08.
- Rectifier CPL 0.06 (Allendale to W. Pasadena): 04/22/08 to 10/16/08.
- Rectifier CPL 1647 (N. Houston): 12/11/07 to 05/15/08; 08/28//08 to 11/15/08.
- Rectifier CPL 11 MP 27.67, N. Houston to Plantersville: 12/11/07 to 04/04/08.
- Rectifier CPL 1539 74.48 Plantersville to Bryan: 02/16/07 to 11/15/08.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item(s) identified in this letter. Failure to do so will result in Explorer being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **4-2010-5001W**. 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).

Sincerely,

R. M. Seeley  
Director, Southwest  
Pipeline and Hazardous Materials Safety Administration