

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 2, 2012

Mr. Randall L. Curry
President
Chevron Petrochemical Pipeline LLC
4800 Fournace Place
Bellaire, Texas 77401-2324

CPF 4-2012-5034W

Dear Mr. Curry:

During August 13-17 and October 3, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your Evangeline Ethylene Pipeline System at Lafayette, Louisiana and Bellaire, Texas.

As a result of the inspection, it appears that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation is:

1. §195.505 Qualification program.

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(b) Ensure through evaluation that individuals performing covered tasks are qualified;

Chevron Pipeline Company (Chevron) failed to follow their written qualification program. Chevron's Pipeline Operator Qualification Program, latest revision dated: November 18, 2011, section 6.1 states the qualified individual must sign or initial any reports or documentation associated with performance of the covered task.

On February 14, 2008, Chevron made a fiberglass composite repair on a 16" diameter pipe between station 762+26.5 and 762+30.5 due to external metal loss type features located by MFL tool run. An Inspection, Repair, Replacement and Crossing Report were completed by Mr. Ladd Hebert. When a PHMSA inspector requested the qualification paperwork of Mr. Hebert, Chevron informed the PHMSA inspector that Mr. Hebert was not qualified and he was observed and supervised by Mr. Robin Roberts. Further investigation revealed Mr. Roberts was found qualified and Chevron provided a copy of Mr. Robert's timesheet dated February 14, 2008 depicting he was present at the work site.

According to Chevron Pipeline Operator Qualification Program, an Inspection, Repair, Replacement and Crossing Report should have been completed by Mr. Roberts, a qualified employee and not by Mr. Hebert. Chevron failed to follow their written qualification program requirement.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a 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 Chevron Petrochemical Pipeline LLC being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 4-2012-5034W**. 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 Region
Pipeline and Hazardous Materials Safety Administration