



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

8701 South Gessner, Suite 1110
Houston, TX 77074

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 7, 2013

Mr. Richard Watson
President
STL Pipeline, LLC
235 Mulberry Drive,
Mandeville, LA 70448

CPF 4-2013-1006M

Dear Mr. Watson:

In June and November 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected STL Pipeline, LLC's (STL) procedures for your Offshore Gas Gathering facility located at MI-632.

On the basis of the inspection, PHMSA has identified the apparent inadequacy found within STL's plans or procedures, as described below:

1. §192.605 Procedural manual for operations, maintenance, and emergencies

- (a) **General.** Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least one each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

§192.481 Atmospheric corrosion control: Monitoring.

- (a) Each operator must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:

- If the pipeline is located: Then the frequency of inspection is:**
- Onshore At least once every 3 calendar years, but with intervals not exceeding 39 months**
- Offshore At least once each calendar year, but with intervals not exceeding 15 months**
- (b) During inspections the operator must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.**

STL’s procedure did not require the atmospheric corrosion inspection of their offshore pipeline facilities at least once each calendar year, but with intervals not exceeding 15 months as required by 192.481(a) and did not sufficiently detail that attention be paid in splash zones as required by 192.481(b).

STL Procedure Section 10.6 “Atmospheric Corrosion”

for “Monitoring,” states:

“STL Pipeline shall, at intervals **not exceeding 3 years**, reevaluate each pipeline that is exposed to the atmosphere and take remedial action whenever necessary to maintain protection against atmospheric corrosion.”

for “Special Attention,” states:

“During inspections, STL Pipeline must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, at deck penetrations, and in spans over water.”

STL Procedure section 4.2 “Inspection Frequency” 192.613 also notes the inspection Frequency is 1 time every 3 years

On November 1, 2012, PHMSA staff revisited STL in Palacios, TX to review records and the amended procedures.

PHMSA staff confirmed the new manuals adequately address the requirements of 192.481 for offshore areas and where special attention should be paid. No further action is required.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance 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). 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 a Final Order.

If, after opportunity for a hearing, 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. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 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 STL maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to R. M. Seeley, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 4-2013-1006M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



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

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*