

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 16, 2013

Mr. James Pitts
VP Storage and Peaking Operations
Golden Triangle Storage, Inc.
1200 Smith Street Suite 900
Houston, TX 77002

CPF 4-2013-1008M

Dear Mr. Pitts:

In November 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Golden Triangle Storage, Inc (GTS) procedures for operations, maintenance, public awareness and damage prevention in Beaumont, TX.

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

1. §192.614 Damage prevention program

(c) The damage prevention program required by paragraph (a) of this section must, at a minimum:

(1) Include the identity, on a current basis, of persons who normally engage in excavation activities in the area in which the pipeline is located.

GTS O&M sections 204 "Construction Near Company Facilities" and O&M section 232 "Damage Prevention and Public Education" did not include the identity of persons who normally engage in excavation activities in the area in which the pipeline is located.

GTS must amend their procedures to include the identity of persons who normally engage in excavation activities in the area in which the pipeline is located.

2. §192.614 Damage prevention program

(c) The damage prevention program required by paragraph (a) of this section must, at a minimum:

(2) Provides for notification of the public in the vicinity of the pipeline and actual notification of the persons identified in paragraph (c)(1) of this section of the following as often as needed to make them aware of the damage prevention program:

(ii) How to learn the location of underground pipelines before excavation activities are begun.

GTS O&M sections 204 “Construction Near Company Facilities” and O&M section 232 “Damage Prevention and Public Education” did not have provisions to provide the public in the vicinity of the pipeline and actual notification of the persons engaged in excavation activities how to learn the location of underground pipelines before excavation activities are begun.

GTS must amend their procedures to provide for notification of the public in the vicinity of the pipeline and actual notification of the persons engaged in excavation activities how to learn the location of underground pipelines before excavation activities are begun.

3. §192.616 Public Awareness

(a) Except for an operator of a master meter or petroleum gas system covered under paragraph (j) of this section, each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see § 192.7).

API RP 1162 section 7.1 states:

“7.1 PROGRAM DOCUMENTATION

Each operator of a hazardous liquid pipeline system, natural gas transmission pipeline system, gathering pipeline system or a natural gas distribution pipeline system should establish (and periodically update) a written Public Awareness Program designed to cover all required components of the program described in this RP.

The written program should include:

- a. A statement of management commitment to achieving effective public/community awareness.
- b. A description of the roles and responsibilities of personnel administering the program.
- c. Identification of key personnel and their titles (including senior management responsible for the implementation, delivery and ongoing development of the program).”

GTS O&M sections 204 “Construction Near Company Facilities” and O&M section 232 “Damage Prevention and Public Education” did not have a management commitment, did not define program roles and responsibilities, nor did it identify the administrator of their public awareness program as required by §192.616.

GTS must amend their procedures to include a management commitment, program roles and responsibilities, and identify the administrator of their public awareness program.

4. §192.616 Public Awareness

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

API RP 1162 section 2.7 “Program Development Guide” step 12 “Implement Continuous Improvement” states:

- “Determine program changes or modifications based on results of the evaluation to improve effectiveness. Program changes may be areas such as: audience, message type or content, delivery frequency, delivery method, supplemental activities or other program enhancements.
- Document program changes.
- Determine future funding and internal and external resource requirements resulting from program changes made.
- Implement changes.”

GTS O&M section 232 Damage Prevention and Public Education did not follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, specifically their procedures did not have provisions to require a public awareness program effectiveness review and continually improving their public awareness program.

GTS must amend their procedures to require a public awareness program effectiveness review and include methods for continually improving the program as referred to in §192.616(c).

5. §192.616 Public Awareness

(d) The operator's program must specifically include provisions to educate the public, appropriate government organizations, and persons engaged in excavation related activities on:

- (2) Possible hazards associated with unintended releases from a gas pipeline facility;**

(3) Physical indications that such a release may have occurred;

GTS O&M section 232 Damage Prevention and Public Education (Section 232) did not have provisions to educate appropriate government organizations and persons engaged in excavation related activities as required stakeholders; did not have provisions to educate stakeholders on the hazards associated with nor the physical indications of an unintended release.

GTS must amend their procedures to identify and educate appropriate government organizations, and persons engaged in excavation related activities as required stakeholders; as well as educate stakeholders on the hazards associated with and the physical indications of an unintended release.

6. §192.616 Public Awareness

(g) The program must be conducted in English and in other languages commonly understood by a significant number and concentration of the non-English speaking population in the operator's area.

GTS O&M section 232 Damage Prevention and Public Education did not have provisions to determine if the Public Awareness Program should be conducted in languages other than English.

GTS must revise their procedures to ensure they include provisions to determine if the public awareness program must be conducted in languages other than English.

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 GTS 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 4-2013-1008M** 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*