U.S. Department
of Transportation
**Pipeline and
Hazardous Materials Safety
Administration**

8701 South Gessner, Suite 1110
Houston, TX 77074

**NOTICE OF PROBABLE VIOLATION
AND
PROPOSED COMPLIANCE ORDER**

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 13, 2013

Mr. Barry Petty
President & CEO
Trinity Pipeline GP LLC
401 West Wall S.
Midland, TX 79701

CPF 4-2013-5013

Dear Mr. Petty:

On multiple days in September, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code was onsite and inspected your Trinity Pipeline GP LLC (Trinity) Hobbs Facility and CO_2 pipeline in Seminole, TX.

As a result of the inspection, 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 violations are:

1. **§195.402 Procedural manual for operations, maintenance, and emergencies.**

   (a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.

   §195.422 Pipeline repairs

(a) Each operator shall, in repairing its pipeline systems, insure that the repairs are made in a safe manner and are made so as to prevent damage to persons or property.

Trinity did not follow their procedures for selecting a repair method for shallow gouges and grooves resulting from a Third Party strike of their line. Also, Trinity failed to follow the process for using a composite sleeve as required by ASME B31.4 (referenced in the Trinity O&M Procedures). Further, Trinity did not properly install the composite sleeve in accordance with the manufacturer's installation procedures.

Trinity personnel presented PHMSA an Engineering Report from Enterteq Engineering dated 7/31/2012 that stated the maximum depth of the defect was 0.009" deep or 3.29%. For this defect, the repair method identified by the Trinity O&M procedures (Table TPL-4) should have been one of the following methods: removal by grinding; a pipe replacement (cutout); or full encirclement welded split sleeve. Instead a "Clock Spring" composite sleeve was installed. This type of repair is not included in the "Approved repairs" listed in table TPL-4.

PHMSA staff confirmed that although the clock spring was used and the Trinity personnel installing the clock spring were certified to install them utilizing the Coil Pass Method, no grinding, magnetic particle or dye penetrant inspection was performed on the defect to identify cracking as required by ASME B31.4. Thus the repair process did not follow the requirements as defined in B31.4

PHMSA staff further confirmed that only the coating immediately surrounding the defect was removed, not the 4-6 inches on each side of the area to be sleeved as required in the Clock Spring installation procedures.

2. §195.402(a) Procedural manual for operations, maintenance, and emergencies (see Violation Number 1)

§195.505 Qualification program

(h) After December 16, 2004, provide training, as appropriate, to ensure that individuals performing covered tasks have the necessary knowledge and skills to perform the tasks in a manner that ensures the safe operation of pipeline facilities; and

Trinity failed to follow their procedures and ensure that employees engaged in Corrosion Control and performing covered tasks had the minimum training requirements as prescribed in the Trinity O&M procedures. Trinity O&M procedure section 1.14.2 "Activity – General" states:

"Minimum requirements to qualify as a competent corrosion control person shall include the successful completion of the NACE Basic Corrosion Course and the person shall have attained the rating, by NACE, of Cathodic Protection Tester."

PHMSA staff learned that employees engaged in corrosion control had not been certified by NACE as a Cathodic Protection Tester as required in the Trinity O&M procedures. PHMSA staff further confirmed that although an outside contractor was consulted, his involvement with the CP program was only once annually to review procedures and observe work being performed by qualified individuals to determine procedural effectiveness. The contractor was not consulted when changes to the CP system were required.

3. §195.442 Damage Prevention Program

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

(5) Provide for temporary marking of buried pipelines in the area of excavation activity before, as far as practical, the activity begins.
(6) Provide as follows for inspection of pipelines that an operator has reason to believe could be damaged by excavation activities:

Trinity failed to properly locate and mark their buried CO_2 pipeline in the area of excavation activity. Trinity also failed to provide onsite inspection during the excavation activity. This improper locate, marking and inspection resulted in the pipeline being struck by a "trencher."

On July 18, 2012, Trinity received a One Call Ticket Number 122006589 to locate their pipeline for a planned excavation. A Trinity employee responded and the line was located on July 20, 2012. Prior to work beginning on July 24, 2012, a second Trinity employee located the line to verify the original locator's markings.

Trinity O&M Procedure 1.8 "Activity Over/Near Trinity Pipelines" section 1.8.2 "Procedure" states:

"Determine the location of the pipeline in the area of the activities."
"Determine the cover over the pipeline in the area of the activities."
"Mark the route of the pipeline before any excavation activities."

At the time of the inspection, Trinity provided PHMSA staff with a document titled "Incident Report of Line Hit" Dated July 24, 2012. The report describes that a line was located by two separate individuals and that Trinity personnel were on site during the excavation until such time the work was no longer a concern to their line. PHMSA staff confirmed that two similar but different locating devices were used, one by each of the respective employees performing the line location. The report also describes that at 1100 hrs the contractor notified Trinity personnel that they had struck a metal line. Trinity personnel later confirmed that line to be the Trinity 12" CO_2 pipeline.

Trinity personnel failed to properly mark their line and left the construction site prior to their line being crossed.

4. §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 SP 0169 (incorporated by reference, see § 195.3).

Trinity failed to properly apply the -0.850 V "ON" criteria in determining the adequacy of cathodic protection on their pipeline system. Specifically, Trinity failed to consider voltage drop as required by paragraph 6.2 of NACE SP 0169.

Trinity personnel stated they only use the -0.850 V "ON" criteria referenced in paragraph 6.2.2.1.1 of NACE SP 0169. As Trinity is only using the -0.850V criteria, 6.2.2.1.1 of NACE SP 0169 applies.

Paragraph 6.2.2.1.1 states:

"A negative (cathodic) potential of at least 850 mV with the CP applied. This potential is measured with respect to a saturated copper/copper sulfate reference electrode contacting the electrolyte. Voltage drops other than those across the structure to-electrolyte boundary must be considered for valid interpretation of this voltage measurement.

NOTE: Consideration is understood to mean the application of sound engineering practice in determining the significance of voltage drops by methods such as:

6.2.2.1.1.1 Measuring or calculating the voltage drop(s);

6.2.2.1.1.2 Reviewing the historical performance of the CP system;

6.2.2.1.1.3 Evaluating the physical and electrical characteristics of the pipe and its environment; and

6.2.2.1.1.4 Determining whether or not there is physical evidence of corrosion."

After reviewing the Pipe to Soil Potential Survey for 2011, PHMSA staff could not identify how Trinity was considering voltage drop. Trinity personnel confirmed an interrupted survey has never been completed, nor has a Close Interval Survey been conducted. Trinity was unable to provide a justification or analysis for voltage drop consideration.

The evidence shows that Trinity failed to use proper criteria in determining the adequacy of cathodic protection on their pipeline system by failing to consider voltage drop. In the alternative, Trinity failed to provide records during the inspection that show voltage drop was considered as required by 195.589(c).

5. §195.573 What must I do to monitor external corrosion control?

(a) Protected pipelines. You must do the following to determine whether cathodic protection required by this subpart complies with § 195.571:

(2) Identify not more than 2 years after cathodic protection is installed, the circumstances in which a close-interval survey or comparable technology is practicable and necessary to accomplish the objectives of paragraph 10.1.1.3 of NACE SP 0169 (incorporated by reference, see § 195.3).

Trinity failed to identify, within the allotted 2 year timeframe, the circumstances in which a Close Interval Survey (CIS) or comparable technology is practicable and necessary to accomplish the objectives of paragraph 10.1.1.3 of NACE SP 0169 (incorporated by reference, see § 195.3).

Paragraph 10.1.1.3 of NACE SP 0169 10.1.1.3 states:

"Where practicable and determined necessary by sound engineering practice, a detailed (close-interval) potential survey should be conducted to
(a) assess the effectiveness of the cathodic protection system;
(b) provide base line operating data;
(c) locate areas of inadequate protection levels;
(d) identify locations likely to be adversely affected by construction, stray currents, or other unusual environmental conditions; or
(e) select areas to be monitored periodically."

PHMSA staff learned that an interrupted survey has never been completed, nor has a CIS been conducted on the pipeline. As identified in paragraph 10.1.1.3 of NACE SP 0169 items (a) and (d), a CIS is not only used to assess the effectiveness of the cathodic protection levels, it will also identify locations likely to be adversely affected by construction, stray currents, or other unusual environmental conditions. Trinity was unable to provide documentation of any survey nor could they show PHMSA any criteria or procedure that would lead to Trinity identifying when or where to perform the surveys.

Warning Items

With respect to item 3 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 promptly correct these item(s). Failure to do so may result in additional enforcement action.

Proposed Compliance Order

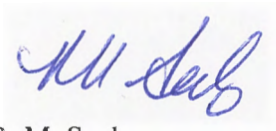
With respect to items 1, 2, 4, and 5 pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Trinity. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Response to this Notice

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. All material you submit in response to this enforcement action may be 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.

In your correspondence on this matter, please refer to **CPF 4-2013-5013** 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

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Compliance Proceedings

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Trinity Pipeline GP LLC (Trinity) a Compliance Order incorporating the following remedial requirements to ensure the compliance of Trinity with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to the failure to follow their O&M procedures, ASME B31.4 requirements and the manufacturers installation procedures for the repair of gouges caused by a third party, Trinity must submit a plan to remove the improperly installed clock spring and remediate the defect.

2. In regard to Item Number 2 of the Notice pertaining to failing to follow procedures to ensure that corrosion control person's had successfully completed the NACE Basic Corrosion Course; Trinity must follow their procedures to ensure that all employees involved in corrosion control and therefore subject to this requirement attend and successfully complete the training specified in Trinity's procedures.

3. In regard to Item Number 4 of the Notice pertaining to failing to meet criteria by failing to properly consider for voltage drop; Trinity must develop a process for consideration of voltage drop and implement that process. Trinity must provide PHMSA with the process and the results of the implementation.

4. In regard to Item Number 5 of the Notice pertaining to failing to identify the circumstances in which a close-interval survey (CIS) or comparable technology is practicable and necessary to accomplish the objectives of paragraph 10.1.1.3 of NACE SP 0169, Trinity must identify those circumstances and conduct a close-interval survey (CIS) or comparable technology as practicable and necessary.

5. Trinity has 30 days after receipt of the Final Order to submit plans required by these items. Trinity has 90 days to implement corrective actions required by these items.

6. It is requested (not mandated) that Trinity maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to R. M. Seeley, Director, Southwest, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.