

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 27, 2017

ExxonMobil Pipeline Company
Mr. Geoffery Craft
Vice President, Operations
800 Bell Street, Rm 3180H
Houston, Texas 77002

CPF 4-2017-5006W

Dear Mr. Craft:

On December 1 through December 14, 2016, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code conducted an investigation of the accident that occurred on the 18" Texoma to Finney Crude line in Longview, Texas on December 1, 2016.

As a result of the investigation, 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. §195.52 Immediate notice of certain accidents.

(b) Information required. Each notice required by paragraph (a) of this section must be made to the National Response Center either by telephone to 800-424-8802 (in Washington, DC, 202-267-2675) or electronically at <http://www.nrc.uscg.mil> and must include the following information:

(6) Initial estimate of amount of product released in accordance with paragraph (c) of this section.

ExxonMobil Pipeline Company (EMPCo) failed to provide an initial estimate of the amount of product (crude oil) released as required when making a telephonic notification of an accident. On December 1, 2016 at 12:17pm (CST), EMPCo reported a release on their 18” Texoma to Finney Crude line near Longview, Texas to the National Response Center. At the time of the initial notification, EMPCo reported “0” as the amount of product released.

Exxon has written criteria for calculating initial release volume based on thier DOT Liquid Manual: Part 195 O&M Manual, Procedures: for §195.50 and §195.52, §195.52 Immediate notice of certain accidents, (c) Calculation, Section 7, pg. 56-58, but did not use them to determine initial spill volume for this event.

2. §195.52 Immediate notice of certain accidents.

(d) New information. An operator must provide an additional telephonic report to the NRC if significant new information becomes available during the emergency response phase of a reported event at the earliest practicable moment after such additional information becomes known.

EMPCo did not contact the NRC to update an estimate of the amount of product (crude oil) released at the earliest practicable moment after additional information regarding the spill volume became known. EMPCo contacted PHMSA on December 4, 2016, at 2:59 p.m. to update the spill volume to 500 barrels, however, the notification to the NRC was not made until the following day (December 5, 2016) at 2:45 p.m.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$205,638 per violation per day the violation persists up to a maximum of \$2,056,380 for a related series of violations. For violation occurring between January 4, 2012 to August 1, 2016, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$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 items identified in this letter. Failure to do so will result in ExxonMobil 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 4-2017-5006W**. 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