

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

July 3, 2018

Francis Foret
Senior Vice President-Operations
Targa Resources Operating, L.L.C
1000 Louisiana St., Suite 2100
Houston, TX 77002

CPF 4-2018-1008M

Dear Mr. Foret:

During the months of April 11-13, 2017 to October 12, 2017, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected the Targa Resources Operating LLC (Targa), Offshore Pelican/Seahawk Gas System in OCS-Gulf of Mexico.

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

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

(b) *Maintenance and normal operations.* The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.

(2) Controlling corrosion in accordance with the operations and maintenance requirements of subpart I of this part.

Targa's Corrosion Control Procedures does not meet §192.605(c) in that there is no reference to the form designated as the "Offshore Corrosion Inspection Report". Targa employees have been using this form for the past four (4) years to conduct and document Atmospheric Corrosion Control Inspections. However, no reference to this form can be found in the procedures. This form is not included on the page that list forms within the Targa Corrosion Control Procedures. According to the operator, the procedure does not have to have a specific form to conduct the Atmospheric Corrosion Control inspection, the inspection just has to be documented. If the form is not used then how does Targa ensure that personnel are following procedures, trained properly and capturing all information that is required by the corrosion procedure.

Targa must revise the Corrosion Control procedures to include the form "Offshore Corrosion Inspection Report" as part of those procedures.

2. §192.615 Emergency plans.

(a) Each operator shall establish written procedures to minimize the hazard resulting from a gas pipeline emergency. At a minimum, the procedures must provide for the following:

(1) Receiving, identifying, and classifying notices of events which require immediate response by the operator.

Targa's Emergency response procedure does not include instructions for individuals who normally receive calls for the operator, who identifies the situation, directs callers to seek safety first, and then gathers critical information to promptly initiate the operator's response efforts. The Targa Midstream Services LLC, Gulf of Mexico; Regional Oil Spill Response Plan is incorporated in the Emergency Plan and some of the procedures that are outlined in the Regional Oil Spill Response Plan are referenced and used to comply with §192.615. During a discussion with Targa personnel, it was noted that the initial call from the person notifying Targa is not documented by the Targa employee receiving the call. The procedure needs to be revised so that the Targa employee documents that initial notification. This record would indicate when Targa was first notified of any leaks, incidents or emergencies and what initial emergency response was performed.

Targa must revise its procedures to include that the initial notification of leaks, incidents or emergencies are documented by Targa employees.

3. §192.612 Underwater inspection and reburial of pipelines in the Gulf of Mexico and its inlets.

(a) Each operator shall prepare and follow a procedure to identify its pipelines in the Gulf of Mexico and its inlets in waters less than 15 feet (4.6 meters) deep as measured from mean low water that are at risk of being an exposed underwater pipeline or a hazard to navigation. The procedures must be in effect August 10, 2005.

Targa's Periodic Underwater Inspection Procedures (rev. 9/24/2013) does not comply with the recordkeeping requirements of §192.709(c). Page 8 of 17 of the procedure is designated as Record Retention. This section states the inspection will be "kept for at least two years, or until the next inspection or test is performed, whichever is longer". The requirement in §192.709(c) states that records of each patrols, surveys, inspections.....must be retained for at least five (5) years.

Targa must revise the Periodic Underwater Inspection Procedures to state that the record of the survey will be retained for five (5) years as required by §192.709(c).

4. §192.805 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;

Targa's Operator Qualification program does not comply with the recordkeeping requirements of §192.807 (b). During the inspection, PHMSA reviewed the covered task qualification Evaluation Method for Valve Maintenance (OQ – M-08-LC). It was noted that the following statement was listed on the evaluation form: "Records will be kept for a minimum of two years or until the new inspection is performed, whichever is greater."

The Targa Qualification Evaluation Method for Valve Maintenance needs to be revised to reflect the correct retention time period of five (5) years as required by §192.807(b).

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under §190.211. 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 an Order Directing Amendment. If 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. § 190.206). 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 Targa Resources Operating maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Mary L. McDaniel, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 4-2018-1008M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Mary L. McDaniel, P.E.
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration

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