

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 31, 2019

Dean Gore
Vice President, Environmental & Regulatory Compliance
Plains All-American Pipeline, L.P.
333 Clay Street, Suite 1600
Houston, Texas 77002

CPF 4-2019-5005M

Dear Mr. Gore:

On June 12 - 16, 2017, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Plains Pipeline, L.P. (Plains) procedures and records for the construction of your Red River and Caddo pipelines in Cushing, Oklahoma.

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

1. §195.234 Non-Destructive Testing.

(b) Any nondestructive testing of welds must be performed-

(2) With personnel who have been trained in the established procedures and in the use of the equipment employed in the testing.

Plains procedure *PAALP-ENG-SPC-WEL-210: Radiographic Inspection of Girth Welds*, section 4.2, states that

“film interpreters may be required to pass a PAAPLP qualification program that includes demonstrating their knowledge and understanding of this specification and passing a practical film interpretation test prior to production film interpretation.”

While reviewing the records for the NDT examiner qualifications, it was noted that the film interpreters were given a written test on both general NDE requirements and Plains specific procedures. While the Plains procedure states that film interpreters may be required to pass a qualification program, it does not state what “passing” means. There is no qualitative or quantitative measure provided for which a qualification program may be evaluated to ensure that the film interpreter has the requisite knowledge needed for the work. Multiple records reviewed indicated that while film interpreters were given a knowledge assessment test, the results were varied and it was unclear if Plains would disqualify a film interpreter based on the results of the qualification program. The Plains procedure must be amended to clarify what “passing” a qualification test means and what actions are taken if a film interpreter fails to pass the qualification test.

2. §195.402 Procedural manual for operations, maintenance, and emergencies.

- (c) The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:**
(5) Analyzing pipeline accidents to determine their causes.

Plains O&M manual, Appendix C, Section 195.402(c)(50)/(e)(9) contains the procedure for post-accident analysis and investigation. Currently, page 2 in the aforementioned O&M section states that accident analysis is the responsibility of the District Manager and Director of Environmental and Regulatory Compliance. Through interviews with the Director of Environmental and Regulatory Compliance, PHMSA inspectors noted that Plains recently established a new hierarchy of responsibilities related to accident investigation and analysis, and that Plains’ Safety Group is now responsible for the root cause investigation and analysis for pipeline accidents. It was unclear looking at the current O&M Manual that the responsibility for the analysis was with the Safety Group. Plains should amend their procedures to clearly identify the responsible party for accident analysis to reflect recent changes within the Plains’ organization.

3. §195.402 Procedural manual for operations, maintenance, and emergencies.

- (c) The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:**
(3) Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.

Plains conducts monthly inspections of the tank overfill alarms in accordance with established O&M Section 420 and Plains Procedure P-195.432(a)(b)&(c). The Plains Tank Inspection Form 505 requires that the inspector verify that the liquid gauge, level transmitter, and Control Center Levels are within tolerance. However, the form does not specify what the allowable tolerance should be, i.e. what would constitute an “unsatisfactory condition.”

Interviews during the inspection revealed that the tolerance was listed in the Plains “Measurement Manual;” however, follow-up interviews with Plains field personnel revealed that the personnel doing the inspection did not know what the required tolerance was, or that a “Measurement Manual” existed. Plains must amend their procedures and inspection forms to clarify what is considered satisfactory or unsatisfactory with regards to tank level indicator readings between the tank gauge level, tank transmitter level and control center level.

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 Plains Pipeline, L.P., maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to T. Binns, Acting Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 4-2019-5005M** 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*