

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 30, 2019

Phil Mezey
Executive President
Epic Consolidated Operations, LLC
18615 Tuscany Stone, Suite 300
San Antonio, Texas 78258

CPF 4-2019-5022M

Dear Mr. Mezey:

On September 23-27, 2019 and October 7-9, 2019, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Epic Consolidated Operations, LLC (EPIC) records and procedures for their pipeline facilities in New Mexico and Texas.

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

1. **§195.402 Procedural manual for operations, maintenance, and emergencies.**
(c) *Maintenance and normal operations.* The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:
(13) Periodically reviewing the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and taking corrective action where deficiencies are found.

EPIC's written procedure, O&M Section 2.1 (O&M Procedure Review 195.402(c) (13)) was found to be inadequate. As written, the procedure does not provide adequate instructions on how to implement a periodic review or document the results of a completed review. The instructions must show that some analysis should be performed to determine the adequacy of a procedure. The analysis may include accident data, near-miss data, submissions of improvement to procedures from employees, meetings to discuss the procedures, job safety analysis, etc., and should include documentation showing the analysis, discussions, etc., that determined the procedure was adequate or inadequate.

During the inspection, EPIC provided its FORM 21.3 Hazardous Liquid O&M Annual Review. The form was not specific for effectiveness review of the procedure, but rather to perform an annual review of its written O&M manual. EPIC must amend its written procedure to include provisions for performing and documenting the required effectiveness review.

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 EPIC 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 McDaniel, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration.

In correspondence concerning this matter, please refer to **CPF 4-2019-5022M** 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*