



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

8701 S. Gessner Rd, Suite 630
Houston, Texas 77074

NOTICE OF AMENDMENT

ELECTRONIC MAIL - RETURN RECEIPT REQUESTED

June 9, 2020

Richard Kirkland
Chief Executive Officer
Cantium, LLC
111 Park Place Drive, Suite 100
Covington, Louisiana 70433

CPF 4-2020-7005M

Dear Mr. Kirkland:

On August 26 - 30, 2019, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Cantium, LLC's (Cantium) procedures for its facilities in Port Fourchon, Louisiana and the Gulf of Mexico.

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

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 ensure 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.**

Cantium's written procedures for conducting normal operations and maintenance (O&M) activities and emergencies were inadequate as they lacked detailed instructions necessary for recording results of valve inspections and cathodic protection inspections.

Cantium's O&M manual (Rev. 8/2019) section 9.8, Pressure Limiting Device Inspections, details the procedures for inspecting each pressure limiting station, relief device, pressure regulating station, and its associated equipment. Section 9.13, Safety Device Capacity Reviews, details the procedures for reviewing and calculating the required capacity of each relief device. Section 10.6.12, Cathodic Protection Survey, details the procedures for reporting results of survey data for a pipeline or segment of line. The procedures require the use of specific forms (Form-4(a) Pressure Limiting Device Inspection, For-6 Cathodic Protection Survey report) as the record of the completed inspection.

At the time of the inspection, Cantium provided inspection results on forms not specified in its written procedures.

Cantium must amend its procedures to include any additional methods used to record the results of required inspections other than the forms listed in its procedures.

2. §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.

Cantium's written procedures for conducting normal operations and maintenance activities were inadequate as they provide insufficient requirements to ensure that the procedures will be reviewed for effectiveness on a regular basis.

Cantium's O&M manual section 1.9 Review of Personnel Performance requires a periodic review of the performance of normal O&M procedures conducted by Cantium personnel and/or contractors to determine the effectiveness of its procedures. Cantium defines periodically as "Recommended in combination with Operator Qualification evaluations, after the occurrence of any AOC, SRC, or emergency, and anytime significant procedures within this manual are changed," however it does not provide a defined schedule for such reviews.

Cantium must revise its procedure to provide specific timelines for periodic reviews on a regularly scheduled basis.

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 Cantium, LLC 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 4-2020-7005M** 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*