

April 8, 2021

**Via Electronic Mail and Certified Mail 70185 0040 0000 8801 3950
Return Receipt Requested**

Ms. Mary L. McDaniel
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration
8701 S. Gessner, Suite 630
Houston, TX 77074

**Re: Notice of Probable Violation
Proposed Compliance Order
CPF 4-2021-016-NOPV**

Dear Ms. McDaniel,

Equistar Chemicals, LP is writing in response to the referenced Notice of Probable Violation (NOPV) and Proposed Compliance Order (PCO) letter, received in our offices March 19, 2021 regarding the March 2, 2020 through October 15, 2020 inspection of our East Pipeline.

Equistar Chemicals, LP, would like to make you aware that when this inspection occurred, Equistar Chemicals, LP maintained operatorship of an 8-inch, 6-inch, and 4-inch pipeline from Orange, Texas to Lake Charles, Louisiana. Since this inspection, Equistar Chemicals, LP only retains operatorship of the 6-inch and 4-inch pipeline. The corrective actions provided below pertain to only the 6-inch and 4-inch pipelines under Equistar Chemicals, LP operatorship.

Equistar Chemicals, LP is notifying you that we are not contesting the proposed compliance order and alleged violations and intend to take the following actions to address the issues:

Pursuant to Item #1. § 195.452 - Pipeline integrity management in high consequence areas.

- (a) ...
- (b) What program and practices must operators use to manage pipeline integrity? Each operator of a pipeline covered by this section must:
 - (1) ...
 - (5) Implement and follow the program.
- (f) What are the elements of an integrity management program? An integrity management program begins with the initial framework. An operator must continually change the program to reflect operating experience, conclusions drawn from results of the integrity assessments, and other maintenance and surveillance data, and evaluation of consequences of a failure on the high consequence area. An operator must include, at minimum, each of the following elements in its written integrity management program:
 - (1) A process for identifying which pipeline segments could affect a high consequence area;

Equistar failed to follow its Integrity Management Program (IMP) for identifying which pipeline segments could affect a high consequence area as required by § 195.452(f)(1). Equistar's written IMP procedure, Integrity Management Plan-Liquid Risk and Information Analysis, Section ID#

IMPL-003, Original Issue Date 2/14/2005, Section 5.0 Requirements provides procedures to separately classify non-pipe-like facilities as distinct assessable segments to be assessed using the facility assessment process specified in Section 5.3. During the inspection, Equistar provided PHMSA with records of the pipe segmentation and a risk analysis conducted on the Orange, Texas to Lake Charles, Louisiana pipeline. However, the documentation showed that non-pipe-like facilities were not separately considered from the segments with line pipe and pipe-like facilities as required by the operator's IMP.

Corrective Action

Equistar Chemicals, LP provides the following action plan to resolve the alleged violation:

1. Equistar will identify which pipeline segments could affect a high consequence area for non-pipe-like facilities: Equistar must reclassify the pipeline segments on the Orange, Texas to Lake Charles, Louisiana pipeline adhering to IMPL-003.
2. Submit documentation of the reclassification of the pipeline segments on the Orange, Texas to Lake Charles, Louisiana pipeline adhering to IMPL-003.

Timing

The corrective action will be completed on or before 7/16/2021.

Pursuant to Item #2, § 195.452 - Pipeline integrity management in high consequence areas.

(a) ...

(b) What program and practices must operators use to manage pipeline integrity? Each operator of a pipeline covered by this section must:

(1) ...

(5) Implement and follow the program.

(f) What are the elements of an integrity management program? An integrity management program begins with the initial framework. An operator must continually change the program to reflect operating experience, conclusions drawn from results of the integrity assessments, and other maintenance and surveillance data, and evaluation of consequences of a failure on the high consequence area. An operator must include, at minimum, each of the following elements in its written integrity management program:

(1) ...

(6) Identification of preventive and mitigative measures to protect the high consequence area (see paragraph (i) of this section);

Equistar failed to determine the need for preventive and mitigative measures on its Orange, Texas to Lake Charles, Louisiana pipeline. Equistar's written IMP procedure, Integrity Management Plan-Liquid Preventive and Mitigative Measures, Section ID# IMPL-007, Original Issue Date 2/14/2005 requires the identification of potential preventive and mitigative measures for its pipelines in high consequence areas. PHMSA requested records during the inspection to demonstrate Equistar's actions to determine the need for potential preventive and mitigative measures in accordance with Equistar's Preventative and Mitigative Measures, Section ID# IMPL-007 procedure. Equistar was unable to provide any documentation.

Corrective Action

Equistar Chemicals, LP provides the following action plan to resolve the alleged violation:

1. Equistar must follow IMPL-007 to determine the need for preventive and mitigative measures on the Orange, Texas to Lake Charles, Louisiana pipeline and develop a plan to address those preventive and mitigative measures.

2. Submit documentation of the preventive and mitigative plan for the Orange, Texas to Lake Charles, Louisiana.

Timing

The corrective action will be completed on or before 7/16/2021.

If you have any questions or need additional information, please feel free to contact me at kimberly.lenz@lyb.com or 281-709-0634.

Sincerely,



Kimberly H. Lenz, MS, CHMM, CSP, CIH
HSE Manager
Equistar Pipeline