

NOTICE OF AMENDMENT

ELECTRONIC MAIL - RETURN RECEIPT REQUESTED

May 3, 2021

Steve Yatauro
President & Chief Executive Officer
ExxonMobil Pipeline Company
22777 Springwoods Village Parkway
Spring, Texas 77389

CPF 4-2021-028-NOA

Dear Mr. Yatauro:

From June 15, 2020 through October 30, 2020, 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 *DOT Liquids Manual* and the *Integrity Management Manual* for ExxonMobil's Central Inspection System, operating under Mobil Pipeline Company, ExxonMobil Pipeline Company, and Mustang Pipeline LLC (collectively, ExxonMobil Pipeline Company) located in and around Lockport, Illinois.

Based on the inspection, PHMSA has identified the apparent inadequacies found within ExxonMobil Pipeline'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 insure 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.

(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:

- (1) ...
- (5) Analyzing pipeline accidents to determine their causes.**
- (6) Minimizing the potential for hazards identified under paragraph (c)(4) of this section and the possibility of recurrence of accidents analyzed under paragraph (c)(5) of this section.**

ExxonMobil Pipeline's written *DOT Liquids Manual, Section 5. Analyzing Pipeline Accidents – 195.402(c)(5)* (Issued October 2002, Reviewed October 16, 2019) is inadequate to assure safe operation of its pipeline facilities because it does not include a process for analyzing pipeline accidents to determine their causes as required by § 195.402(c)(5). PHMSA reviewed *Section 5. Analyzing Pipeline Accidents – 195.402(c)(5)* and found the procedure does not include detailed analysis techniques or methods to analyze pipeline accidents to determine the root cause of an accident and does not include measures to prevent recurrence of an accident.

ExxonMobil Pipeline must amend *Section 5 of its DOT Liquids Manual* to include a process for analyzing pipeline accidents to determine their causes, along with the timeframe for when the root cause analysis will be conducted. Additionally, the procedures must be revised to include the identification of which measures should be implemented to prevent a recurrence and the timeframe for the completion of those identified measures.

2. § 195. 452 Pipeline integrity management in high consequence areas.

- (a)...
- (i) What preventive and mitigative measures must an operator take to protect the high consequence area?**

- (1) ...
- (4) Emergency Flow Restricting Devices (EFRD).** If an operator determines that an EFRD is needed on a pipeline segment to protect a high consequence area in the event of a hazardous liquid pipeline release, an operator must install the EFRD. In making this determination, an operator must, at least, consider the following factors—the swiftness of leak detection and pipeline shutdown capabilities, the type of commodity carried, the rate of potential leakage, the volume that can be released, topography or pipeline profile, the potential for ignition, proximity to power sources, location of nearest response personnel, specific terrain between the pipeline segment and the high consequence area, and benefits expected by reducing the spill size.

ExxonMobil Pipeline's *Integrity Management Program Manual, Section 6.1 EFRD Evaluation (Dated April 2020, Version 2020.1)* is inadequate to assure safe operation of its pipeline facilities because it fails to set forth a process for documenting the determination for installation of and justification for not installing emergency flow restricting devices (EFRD). PHMSA reviewed Section 6.1 and found the procedure for determining whether to install an EFRD does not include guidance for documenting the company's decision-making process and does not provide justification of what is considered *significant*.

ExxonMobil Pipeline must amend its *Integrity Management Program Manual, Section 6.1 EFRD Evaluation*, to include detailed guidance regarding documenting the determination for installation of and the justification for not installing EFRDs, as well as include guidance for what is considered *significant* in the making that determination.

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 ExxonMobil Pipeline 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 4-2021-028-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

Enclosures: *Response Options for Pipeline Operators in Enforcement Proceedings*