



U.S. Department  
of Transportation

**Pipeline and  
Hazardous Materials Safety  
Administration**

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12300 W. Dakota Ave., Suite 110  
Lakewood, CO 80228

## NOTICE OF AMENDMENT

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 16, 2007

Mr. Perry H. Richards  
General Manager  
Questar Energy Trading  
1050 17<sup>th</sup> Street  
Denver, CO 80265

**CPF 5-2007-0025M**

Dear Mr. Richards:

On November 6, 2007, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Questar Energy Trading's (QET) procedures and records for your Integrity Management Program (IMP) in Evanston, Wyoming.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within QET plans and procedures, as described below:

#### **1. HCA Identification**

##### **§192.905 How does an operator identify a high consequence area?**

**(a) General. To determine which segments of an operator's transmission pipeline system are covered by this subpart, an operator must identify the high consequence areas. An operator must use method (1) or (2) from the definition in § 192.903 to identify a high consequence area. An operator may apply one method to its entire pipeline system, or an operator may apply one method to individual portions of the pipeline system. An operator must describe in its integrity management program which method it is applying to each portion of the operator's pipeline system. The**

**description must include the potential impact radius when utilized to establish a high consequence area. (See appendix E.I. for guidance on identifying high consequence areas.)**

**(b)(1) Identified sites. An operator must identify an identified site, for purposes of this subpart, from information the operator has obtained from routine operation and maintenance activities and from public officials with safety or emergency response or planning responsibilities who indicate to the operator that they know of locations that meet the identified site criteria. These public officials could include officials on a local emergency planning commission or relevant Native American tribal officials.**

**(2) If a public official with safety or emergency response or planning responsibilities informs an operator that it does not have the information to identify an identified site, the operator must use one of the following sources, as appropriate, to identify these sites.**

**(i) Visible marking (e.g., a sign); or**

**(ii) The site is licensed or registered by a Federal, State, or local government agency; or**

**(iii) The site is on a list (including a list on an internet web site) or map maintained by or available from a Federal, State, or local government agency and available to the general public.**

**(c) Newly identified areas. When an operator has information that the area around a pipeline segment not previously identified as a high consequence area could satisfy any of the definitions in § 192.903, the operator must complete the evaluation using method (1) or (2). If the segment is determined to meet the definition as a high consequence area, it must be incorporated into the operator's baseline assessment plan as a high consequence area within one year from the date the area is identified.**

- **Item 1A: §192.905(a) and §192.905(b)(1)&(2)**

The QET HCA identification process does not clearly define in sufficient detail who is responsible for making decisions regarding the determination of HCAs and the qualifications of that individual as required by ASME B31.8S Section 12.2.4 and §192.915.

- **Item 1B: §192.905(c)**

The HCA process used by QET does not require the pipeline be surveyed and evaluated for any other changes on an annual basis to determine if there are any new HCAs along the pipeline.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. 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). 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 a Final Order.

If, after opportunity for a hearing, 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. § 190.237). 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.

In correspondence concerning this matter, please refer to **CPF 5-2007-0025M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Chris Hoidal  
Director, Western Region  
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*

cc: PHP-60 Compliance Registry  
PHP-500 J. Gilliam (#120027)