



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

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

NOTICE OF AMENDMENT

VIA UPS: (1Z WR2 588 03 9441 4894)

June 22, 2011

Mr. Mike Joynor
Senior Vice President
Alyeska Pipeline Service Company
900 E. Benson Blvd.
P.O. Box 196606
Anchorage, Alaska 99519

CPF 5-2011-5015M

Dear Mr. Joynor:

On June 1-2, 2011, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Alyeska Pipeline Service Company's (Alyeska) procedures and records for its Public Awareness Program in Anchorage, Alaska.

On the basis of that inspection, PHMSA has identified the following apparent inadequacies found within Alyeska's plans and/or procedures, as described below:

1. **§195.440 Public Awareness**
 - (b) **The operator's program must follow the general program recommendations of API RP 1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.**
- A) Alyeska's Public Awareness Program (PAP) does not contain a written statement of management commitment. Alyeska's PAP must be amended to meet the requirements of Management Support, section 2.5 of API 1162.

- B) Alyeska's PAP does not identify the program administrator by name or by position, but only as a corporate communications representative. Alyeska's PAP must be amended to meet the requirements of Program Documentation, section 7.1 (c) of API 1162.
- C) Alyeska has conducted annual audits, but did not document the topics reviewed. Alyeska's PAP must be amended to meet the requirements of Program Documentation, section 7.1 (g) of API 1162.
- D) Alyeska has conducted annual audits, but has not identified and documented the members of the self assessment team. Alyeska's PAP must be amended to meet the requirements of Focus Groups, Appendix E of API 1162.

2. **§195.440 Public Awareness**

(f) The program and the media used must be as comprehensive as necessary to reach all areas in which the operator transports hazardous liquid or carbon dioxide.

- A) Alyeska states in section 5.2.1 of the PAP, "API recommends 660 to 1000 feet on either side of the pipeline. However, the coverage area should be expanded or contracted specific to the particular pipeline, location, and potential impact consequences". In discussions with Alyeska personnel, they described that they are identifying the affected public by 60 feet on either side of the pipeline. Alyeska must amend section 5.2.1, Affected Public, to indicate what Alyeska will use to determine affected public.
- B) In discussions with Alyeska personnel, they described that at this time, the affected public is being identified only in the North Star Borough. Alyeska must amend its PAP to include other residential areas along the Right of Way (Delta Junction, Glennallen, Valdez etc.)
- C) In discussions with Alyeska personnel, they described that the affected public is being identified and communicated through Right of Way Use Guideline (RUG) mailings. Alyeska must amend the PAP to include information about RUG mailings.
- D) In the past, Alyeska has not communicated with excavators through mailings, but relied upon newspapers and magazines ads. Alyeska must amend the PAP to include information to excavators through mailings.

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 90 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 Alyeska Pipeline Service Company maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Dennis Hinnah, Deputy Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2011-5015M** and send all documents to our office at 188 W. Northern Lights Blvd., Suite 520, Anchorage, AK 99503. For each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Dennis Hinnah
Deputy 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 B. Flanders (#134623)