

## NOTICE OF AMENDMENT

**VIA UPS 2ND DAY AIR - 1ZWR25880295576362**

April 18, 2012

Mr. Todd E. Osterberg  
HES Specialist  
Chevron Products Company  
913 North Nimitz Highway  
Honolulu, Hawaii 96817

**CPF 5-2012-5007M**

Dear Mr. Osterberg:

On March 28, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Chevron Products Company's (Chevron) procedures and records for its Public Awareness Program in Honolulu, Hawaii.

On the basis of that inspection, PHMSA has identified the following apparent inadequacy within Chevron's plans and procedures, as described below:

- 1. §195.440 Public Awareness**
  - (a) Each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162**

The PHMSA clearinghouse reviewed Chevron's Public Awareness Program in 2007, but since then Chevron (OPID 2730) incorrectly discontinued their public awareness program for PHMSA-regulated facilities. Chevron ceased their Public Awareness Program when the Honolulu Marine terminal was no longer considered to be regulated by PHMSA. Chevron's Hilo Terminal and Portland Breakout Tank facilities, however, are still regulated by PHMSA and must have a Public Awareness Plan.

Chevron must develop and implement a written Public Awareness Program for your Hilo Terminal and Portland Breakout Tanks or justify why the program or component thereof is not required.

Chevron's Public Awareness Program must include the following components as detailed in §195.440 (b) through (i), not including (h). Those regulatory requirements are presented below:

*(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.*

*(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.*

*(d) The operator's program must specifically include provisions to educate the public, appropriate government organizations, and persons engaged in excavation related activities on:*

*(1) Use of a one-call notification system prior to excavation and other damage prevention activities;*

*(2) Possible hazards associated with unintended releases from a hazardous liquid or carbon dioxide pipeline facility;*

*(3) Physical indications that such a release may have occurred;*

*(4) Steps that should be taken for public safety in the event of a hazardous liquid or carbon dioxide pipeline release; and*

*(5) Procedures to report such an event.*

*(e) The program must include activities to advise affected municipalities, school districts, businesses, and residents of pipeline facility locations.*

*(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.*

*(g) The program must be conducted in English and in other languages commonly understood by a significant number and concentration of the non-English speaking population in the operator's area*

*(i) The operator's program documentation and evaluation results must be available for periodic review by appropriate regulatory agencies.*

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.

Please submit all correspondence in this matter to Dennis Hinnah, Deputy Director, PHMSA Western Region, 188 W. Northern Lights Blvd., Suite 520, Anchorage, AK 99503. Please refer to **CPF 5-2012-5007M** on each document you submit, and please whenever possible provide a signed PDF copy in electronic format. Smaller files may be emailed to [Dennis.Hinnah@dot.gov](mailto:Dennis.Hinnah@dot.gov). Larger files should be sent on a CD accompanied by the original paper copy to the Western Region Alaska Office.

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 (#137748)