



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

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

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 24, 2012

Mr. Randall Curry
President
Chevron Pipeline Company
4800 Fournace Place
Bellaire, TX 77401

CPF 5-2012-5012M

Dear Mr. Curry:

On December 5 through December 9, 2011, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Chevron Pipeline Company's (CPL) control room management (CRM) procedures in Houston, Texas.

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

1. **§ 195.446 Control room management.**
 - (a) **General.** This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section. The procedures required by this section must be integrated, as appropriate, with the operator's written procedures required by § 195.402. An operator must develop the procedures no later than August 1, 2011 and implement the procedures no later than February 1, 2013.

CPL's Control Room Management Plan (CRMP) Program Manual does not ensure that procedures for making written CRM procedures are available to all pipeline controllers, as required by 195.446(c). did not include guidance informing controllers that hard copies of these processes and procedures were available at each console. Procedure 3.3 of the CRMP Processes and Procedures stated "The CRMP references associated processes and procedures for compliance with §192.631 and §195.446 which are located on the CRMP intranet site." During the inspection CPL informed our PHMSA representative that they also keep a paper copy of processes and procedures including O&M and Emergency Response manuals at each control console. CPL controllers interviewed were unaware that CRMP was available, and must amend their CRMP procedures to clearly state that hard copies of processes and procedures, including O&M and Emergency Response manuals, are maintained at each console.

2. **§ 195.446 Control room management.**

(a) General. This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section. The procedures required by this section must be integrated, as appropriate, with the operator's written procedures required by § 195.402. An operator must develop the procedures no later than August 1, 2011 and implement the procedures no later than February 1, 2013.

CPL's CRM-117 Pipeline Controller Training Program did not provide adequate specificity for processes that will be used to review the CPL controller training program as required by §195.446(h). Section 4 Measurement and Verification of CRM-117 explains that one of the metrics that will be used to confirm the effectiveness of their controller training program will be improved controller competency. The measurement of improved controller competency will be by the use of competency assessments. Interviews with CPL personnel indicated that each controller will be assessed by a competency board. However, CRM-117 provides no guidance as to who will perform a competency assessment or how that competency assessment will be made. CPLs procedures must be amended to fully describe the controller competency assessment process including the makeup of the competency assessment board as well as a detailed description of a competency assessment.

3. **§ 195.446 Control room management.**

(a) General. This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section. The procedures required by this section must be integrated, as appropriate, with the operator's written procedures required by § 195.402. An operator must develop the procedures no later than August 1, 2011 and implement the procedures no later than February 1, 2013.

CPL's CRM manuals did not describe how Chevron ensures controllers can accurately perceive SCADA display object characteristics (e.g., color, shape, text) that indicate safety related alarms used in the operator's SCADA system. § 195.446(e) requires that an operator have a written alarm management plan to provide for effective controller response to alarms. As part of that plan an operator must ensure its operators can accurately perceive various alarm indicator sounds and colors. Interviews indicated that CPL gives color blindness and hearing tests to applicants for controller positions to ensure that controllers can accurately perceive various alarm indicator sounds and colors. However, the process of screening operators for color blindness and hearing capabilities was not in any CPL CRM manuals and procedures. CPL must include the process used for ensuring their controllers can accurately perceive alarm colors and sounds, within their CRM procedures.

4. § 195.446 Control room management.

(a) General. This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section. The procedures required by this section must be integrated, as appropriate, with the operator's written procedures required by § 195.402. An operator must develop the procedures no later than August 1, 2011 and implement the procedures no later than February 1, 2013.

CPL CRM procedures did not describe how controller hours of service are monitored to ensure that both established shift lengths and the maximum controller hours of service are adhered to as required by § 195.445(d)(1) and (d)(4). Interviews with CPL personnel revealed that CPL monitored controller hours of service through the use of a time clock. CPL must amend their CRM procedures to better describe the system used to monitor controller hours of service.

5. § 195.446 Control room management.

(a) General. This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section. The procedures required by this section must be integrated, as appropriate, with the operator's written procedures required by § 195.402. An operator must develop the procedures no later than August 1, 2011 and implement the procedures no later than February 1, 2013.

CPL procedure CRM-108 SCADA Redundancy and Backup Testing Section 3.2 required that CPL test its Midland, Texas Strategic Backup Site (SBS) once each calendar year but did not require that this testing interval not exceed by 15 months as required by § 195.446(c)(4). CPL must amend their procedure to require the SBS be tested once each calendar year at intervals not to exceed 15 months.

6. **§ 195.446 Control room management.**

(a) General. This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section. The procedures required by this section must be integrated, as appropriate, with the operator's written procedures required by § 195.402. An operator must develop the procedures no later than August 1, 2011 and implement the procedures no later than February 1, 2013.

CPL CRM procedures did not describe safeguards used for protecting electronically stored records from loss or damage. As required by § 195.446(j)(1) and (j)(2), CPL must maintain records that demonstrate compliance with requirements of § 195.446. Any deviation from the procedure required by this section that was necessary for the safe operation of the pipeline facility also must be demonstrated. Because CPL control room management program is heavily dependent on electronically stored records, CPL must have a process for protecting the integrity of those electronic records. CPL must amend their CRM procedures to include what measures CPL takes to protect the integrity of its control room management electronic records to comply with § 195.446(j).

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.

It is requested (not mandated) that Chevron Pipeline 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 Chris Hoidal, Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2012-5012M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Chris Hoidal
Director, Western
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 G. Davis (#136839)

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