

## NOTICE OF AMENDMENT

### CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 29, 2015

The Honorable Charlotte E. Brower  
Mayor of North Slope Borough  
North Slope Borough Energy Management  
Nuiqsut Utilities Cooperative  
P.O. Box 69  
Barrow, Alaska 99723

**CPF 5-2015-0021M**

Dear Mayor Brower:

Between August 26, 2015 and September 17, 2015, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected North Slope Borough Energy Management's Operations and Maintenance (O&M) Manual in Nuiqsut, Alaska.

On the basis of the inspection, PHMSA has identified the apparent inadequacies within North Slope Borough Energy Management plans or procedures, as described below:

1. **§192.605 Procedural manual for operations, maintenance, and emergencies**
  - (a) **General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least one each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.**

North Slope Borough Energy Management (NSBEM) did not establish adequate written procedures as required by §192.605(a). At the time of the inspection, NSBEM's Gas

Operations and Maintenance (O&M) Manual required notification of the construction of ten (10) or more miles of Hazardous Liquid Pipeline. It is our understanding that NSBEM is a natural gas distribution system and NSBEM does not operate a hazardous liquid pipeline. As a result, NSBEM must modify the procedures in the O&M Manual to include the notification for construction of ten (10) or more miles of new gas pipeline as required by §191.22(c)(1)(ii).

**2. §192.605 Procedural manual for operations, maintenance, and emergencies.**

**(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.**

**(9) Taking adequate precautions in excavated trenches to protect personnel from the hazards of unsafe accumulations of vapor or gas, and making available when needed at the excavation, emergency rescue equipment, including a breathing apparatus and, a rescue harness and line.**

NSBEM did not establish adequate written procedures for taking adequate precautions in excavated trenches to protect personnel as required by §192.605(b) (9). At the time of the inspection, NSBEM's Gas Operations and Maintenance (O&M) Manual did not include the procedures for taking adequate precautions in excavated trenches to protect personnel from the hazards of unsafe accumulations of vapor or gas. Procedures did not require that emergency rescue equipment, including a breathing apparatus and, a rescue harness and line were available when needed at the excavation. As a result, NSBEM must modify the procedures in the O&M Manual to specifically address the emergency rescue equipment in the event the area must be excavated.

**3. §192.615 Emergency plans.**

**(b) Each operator shall:**

**(2) Train the appropriate operating personnel to assure that they are knowledgeable of the emergency procedures and verify that the training is effective.**

NSBEM did not establish adequate written Emergency procedures for training its personnel as required by §192.615(b) (2). At the time of the inspection, NSBEM's Gas Operations and Maintenance (O&M) Manual did not include the requirements for training appropriate operating personnel to assure that they are knowledgeable of the emergency procedures and to verify that the training is effective. As a result, NSBEM must modify the procedures in the O&M Manual to address this issue.

**4. §192.605 Procedural manual for operations, maintenance, and emergencies**

**(b) Maintenance and normal operations. The manual required by paragraph (a)**

**of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.**

**(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part.**

NSBEM did not establish adequate written procedures for operating, maintaining, and repairing the pipeline as required by §192.605(b) (1). At the time of the inspection, NSBEM did not include procedures requiring that taps on a pipelines under pressure (hot taps) be performed by qualified personnel as required by §192.627. As a result, NSBEM must modify the procedures in the O&M Manual to address this issue.

**5. §192.605 Procedural manual for operations, maintenance, and emergencies**

**(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.**

**(1) Operating, maintaining, and repairing the pipeline in accordance with each of the requirements of this subpart and Subpart M of this part.**

NSBEM did not establish adequate written procedures for operating, maintaining, and repairing the pipeline as required by §192.605(b) (1). At the time of the inspection, NSBEM did not include the test requirements for reinstating service lines as required by §192.725. As a result, NSBEM must modify the procedures in the O&M Manual to require that reinstated service lines be pressure tested.

**6. §192.285 Plastic pipe. Qualifying persons to make joints.**

**(a) No person may make a plastic pipe joint unless that person has been qualified under the applicable joining procedure by:**

**(2) Making a specimen joint from pipe sections joined according to the procedure that passes the inspection and test set forth in paragraph (b) of this section.**

NSBEM did not establish adequate written procedures for qualifying persons to make joints as required by §192.285(a) (2). At the time of the inspection, NSBEM did not include procedures requiring that personnel making joints in plastic pipelines are qualified to the joining procedure. Procedures for making a plastic pipe joint referenced the Operator Qualification (OQ) covered task of GT40-General Pipeline Repair Procedures. The covered task is for metal pipelines and not relevant to making plastic pipe joints. As a result, NSBEM must modify the procedures to address this issue.

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 the North Slope Borough Energy Management 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 5-2015-0021M** and, for each document you submit, please provide a copy in electronic format to [PHP-WRADMIN@dot.gov](mailto:PHP-WRADMIN@dot.gov) 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 D. Hassell (#149012)