

## NOTICE OF AMENDMENT

### CERTIFIED MAIL- RETURN RECEIPT REQUESTED

August 30, 2017

Mr. Daniel W. Britton  
President/CEO  
Titan Alaska LNG  
3408 International Street  
Fairbanks, AK 99701

**CPF 5-2017-0014M**

Dear Mr. Britton:

On March 13 through 15, 2017 representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Titan Alaska LNG procedures for valve inspection and maintenance.

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

1. **§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.**

While reviewing Titan 's documentation for the annual inspection of transmission valves, it became evident that the valve maintenance procedures were not adequate to comply with 192.605(b)(1). Maintenance and operation procedures to ensure proper inspection and maintenance of transmission valves are required by Subpart M, §192.745. Procedures must ensure the valves that might be required during an emergency are inspected and partially operated. Inspection and maintenance tasks defined by these revised procedures must be recorded per 192.603(b).

2. **§192.805(b) Qualification program.**  
**Each operator shall have and follow a written qualification program. The program shall include provisions to:**
- (a) Identify covered tasks;**
  - (b) Ensure through evaluation that individuals performing covered tasks are qualified;**

During the records review for both valve maintenance and corrosion control, it became evident that the valve inspection and maintenance tasks, and painting tasks were not currently covered in Titan's Operator Qualification (OQ) procedures as required by 192.805. Both Valve Inspection and Maintenance as well as Painting/Coating application meet the requirements of covered tasks and should be included in your OQ procedures.

#### Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under §190.211. 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 an Order Directing Amendment. If 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. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 45 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 Titan Alaska LNG maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Kim West, Acting Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2017-0014M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Kim West  
Acting 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 M. Chard (#155026)