



April 4, 2017

05-05-17A11:53 RCVD

Mr. Chris Hoidal
Director, Western Region, PHMSA
Pipeline and Hazardous Materials Safety Administration
12300 W. Dakota Avenue
Suite 110
Lakewood, Colorado 80228

RE: CPF 5-2017-6008W
Thunder Basin Pipeline, LLC (38894)
Audit, September 19-23, 2016
Response to Warning Letter, March 27, 2017

Dear Mr. Hoidal:

On September 19-23, 2016, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) conducted an inspection of the "Genesis" Thunder Basin Pipeline, LLC (38894) written operations and maintenance (O&M) procedures, records, and facilities. As a result of the inspection, alleged probable violations were identified relative to 49 CFR 194.117, 195.403, 195.404, 195.569, and 195.579.

In response, "Genesis" Thunder Basin Pipeline, LLC is proposing seven (7) amendments to the *Genesis Energy Liquid and CO₂ Operations, Maintenance, and Emergency Procedures Manual (LOM&E), Emergency Training and Corrosion Programs* as outlined below.

Item #1, § 194.117 (b)(1), Genesis Energy LOM&E Manual, Section 904, *Emergency Response Training*:

"Genesis" Thunder Basin Pipeline, LLC has modified O&M Section 904 to include new language providing examples of refresher training and additional responsibilities to maintain required documentation at local or headquarters offices. Documentation will include employee training. Oil Spill Response Organization (OSRO) contractor training shall be made available upon request.

Hazwoper certification 2014 documents have been signed by the instructors. Hazwoper Re-training (24 Hour) is schedule for "Genesis" Thunder Basin" employees on May 9 – 11th, 2017.

A copy of revisions to the 2016 O & M Manual, Section 904.2, p. 11. Updates to the 2017 O&M Manual will begin June 5th, 2017 and can be made available upon request.

Item #2, § 194.117 (a)(i), Genesis Energy LOM&E Manual, Section 904, *Emergency Response Training*:

Emergency and facility response plans, drills, and exercises include the following Wyoming pipeline operators:

1. 38894 – Thunder Basin Pipeline, LLC
2. 39239 – Powder River Operating, LLC
3. 39239 – Powder River Express, LLC

Section 904.5, p. 14 has been modified to include new language providing additional Qualified Individual (QI) guidance.

“Scheduled exercises outlined in the Facility Response Plans will be managed by the HSSE Department, Environmental Section and Local Area Supervision. Verification of QI exercises and table top drills and their effectiveness shall be documented accordingly and managed by Local Area Supervision.”

The HSSE Department, Environmental Section and Local Area Supervision verified the scheduling and completion of the drill scheduled in 2014. Genesis will provide a copy of the drill documentation performed as an addendum to the plan of correction.

Item #3, § 195.403 (a)(1)

Missing documentation for the Emergency Response Training in 2015 was identified and corrected during the evaluation. Measures were taken to ensure continuing education and compliance with 195.403 by re-training employees on the emergency and facility response plans.

Verification of the re-training on the emergency response plans was recorded on 9/14/2016. The attached documentation includes both supervisor and employee signatures.

A copy of supervisor and employee re-training is provided as an addendum to this plan of correction. Copies of the re-training will be maintained by the company Training Group and Local Area Supervision.

Item #4, § 195.404 (c)(2)

Missing record demonstrating the corrective action for Valve #1810 was not located during the evaluation. A re-inspection of the Valve was recorded on 4/12/16 with no corrective actions required.

A copy of the re-inspection (Valve #1810) is provided as an addendum to this plan of correction. The documentation of the re-inspection will be maintained by Local Area Supervision.

Item #5, § 195.404 (c)(3)

Missing record demonstrating the repairs made and other corrective actions for Tank #1154 at South Well Draw Station was not located during the evaluation. Additional research will be conducted to verify corrective actions taken prior to commissioning the tank. If the research to the repairs are not located, a re-inspection of the Tank #1154 (according to API 653) shall be considered to determine serviceability and remaining life.

A copy of the re-inspection (Tank #1154) will be maintained by Integrity Management representatives and Local Area Supervision.

Item #6, § 195.569

According to Section 1501, Genesis Operations and Maintenance Manual, and Genesis Field External Corrosion Procedures, any exposed pipeline will be inspected to determine the existence of external corrosion and any coating damage. If the existence of external corrosion or coating damage is identified (49 CFR 195.569), corrective actions will be taken according to the Genesis Corrosion Field Procedures and repair criteria.

Future inspections will be documented on Genesis Pipeline Inspection and Repair Report for any anomalies discovered.

Item #7, § 195.579

According to Section 1502, Genesis Operations and Maintenance Manual, and Genesis Field Internal Corrosion Procedures, any pipeline opened to the atmosphere must be internally inspected for any evidence of internal corrosion. If the existence of internal corrosion is identified (49 CFR 195.579), corrective actions will be taken according to the Genesis Corrosion Field Procedures and repair criteria.

Future inspections will be documented on Genesis Pipeline Inspection and Repair Report for any anomalies discovered.

We appreciate the opportunity to work with PHMSA regarding the safe operation of our pipelines and trust this additional information satisfies your concerns.

If you have any questions or comments, please feel free to contact me directly at (713) 860-2542 or by e-mail at Jeff.Gifford@genlp.com.

Sincerely,



Jeffrey W. Gifford
Vice President, HSSE

Attachment