



U.S. Department  
of Transportation

Pipeline and Hazardous Materials  
Safety Administration

1200 New Jersey Avenue SE  
Washington DC 20590

JUN 15 2018

Mr. William Pate  
President and CEO  
Par Pacific Holdings, Inc.  
One Memorial Plaza  
800 Gessner Road, Suite 875  
Houston, TX 77024

**Re: CPF No. 5-2017-6034**

Dear Mr. Pate:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation and assesses a civil penalty of \$279,400 against Wyoming Refining Company, a subsidiary of Par Pacific Holdings, Inc. This is to acknowledge receipt of payment of the full penalty amount, by wire transfer, dated January 23, 2018. When the terms of the compliance order have been completed, as determined by the Director, Western Region, this enforcement action will be closed. Service of the Final Order by certified mail is effective upon the date of mailing as provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Alan K. Mayberry  
Associate Administrator  
for Pipeline Safety

Enclosure

cc: Ms. Kim West, Director, Western Region, Office of Pipeline Safety, PHMSA  
Mr. Mathew P. Ellman, Logistics Manager, Wyoming Refining Company, 10 Stampede  
Street, Newcastle, Wyoming 82701

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION  
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION  
OFFICE OF PIPELINE SAFETY  
WASHINGTON, D.C. 20590**

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**In the Matter of** )

**Wyoming Refining Company,** )

**Respondent.** )  
\_\_\_\_\_ )

**CPF No. 5-2017-6034**

**FINAL ORDER**

On November 5, 2015, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of Wyoming Refining Company's (WRC or Respondent) Newcastle Refinery to Mule Creek Junction Products Pipeline in Newcastle, Wyoming (Pipeline).<sup>1</sup> The Pipeline is a six-inch, 42-mile products pipeline that originates in Newcastle, Wyoming, and ends at Mule Creek Junction.<sup>2</sup>

As a result of the inspection, the Director, Western Region, OPS (Director), issued to Respondent, by letter dated December 19, 2017, a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Notice), which also included a warning pursuant to 49 C.F.R. § 190.205. In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that WRC had committed nine violations of 49 C.F.R. Part 195 and proposed assessing a civil penalty of \$279,400 for the alleged violations. The Notice also proposed ordering Respondent to take certain measures to correct the alleged violations. The warning item required no further action, but warned the operator to correct the probable violation or face possible future enforcement action.

WRC responded to the Notice by letter dated January 19, 2018 (Response). The company did not contest the allegations of violation and paid the proposed civil penalty of \$279,400. In accordance with 49 C.F.R. § 190.208(a)(1), such payment authorizes the Associate Administrator to make findings of violation and to issue this final order without further proceedings.

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<sup>1</sup> On July 14, 2016, Par Pacific Holdings, Inc., a company that manages and maintains interests in energy and infrastructure businesses, acquired Hermes Consolidated, LLC, which does business as Wyoming Refining Company. Par Pacific Holdings, Inc., website, *available at* <http://www.parpacific.com/profiles/investor/ResLibraryView.asp?ResLibraryID=82021&GoTopage=4&Category=2100&BzID=2193&G=652> (last accessed March 30, 2018).

<sup>2</sup> Pipeline Safety Violation Report (Violation Report), (December 19, 2017) (on file with PHMSA), at 1.

### FINDINGS OF VIOLATION

In its Response, WRC did not contest the allegations in the Notice that it violated 49 C.F.R. Part 195, as follows:

**Item 1:** The Notice alleged that Respondent violated 49 C.F.R. § 195.406(a), which states:

**§ 195.406 Maximum operating pressure.**

(a) Except for surge pressures and other variations from normal operations, no operator may operate a pipeline at a pressure that exceeds any of the following:

(1) The internal design pressure of the pipe determined in accordance with § 195.106. However, for steel pipe in pipelines being converted under § 195.5, if one or more factors of the design formula (§ 195.106) are unknown, one of the following pressures is to be used as design pressure:

(i) Eighty percent of the first test pressure that produces yield under section N5.0 of appendix N of ASME/ANSI B31.8 (incorporated by reference, *see* § 195.3), reduced by the appropriate factors in §§ 195.106 (a) and (e); or

(ii) If the pipe is 12 <sup>3</sup>/<sub>4</sub>-inch (324 mm) or less outside diameter and is not tested to yield under this paragraph, 200 p.s.i. (1379 kPa) gage.

(2) The design pressure of any other component of the pipeline.

(3) Eighty percent of the test pressure for any part of the pipeline which has been pressure tested under subpart E of this part.

(4) Eighty percent of the factory test pressure or of the prototype test pressure for any individually installed component which is excepted from testing under § 195.305.

(5) For pipelines under §§ 195.302(b)(1) and (b)(2)(i) that have not been pressure tested under subpart E of this part, 80 percent of the test pressure or highest operating pressure to which the pipeline was subjected for 4 or more continuous hours that can be demonstrated by recording charts or logs made at the time the test or operations were conducted.

The Notice alleged that Respondent violated 49 C.F.R. § 195.406(a) by failing to properly establish the Pipeline's maximum operating pressure (MOP). Specifically, the Notice alleged that WRC did not have records to substantiate how it calculated the line's MOP. The Notice further alleged that WRC had produced an affidavit from the pipeline construction manager, indicating that a hydrostatic pressure test had been performed up to 2,656 psig at the time of construction in 1982. However, the Notice alleged that the affidavit failed to satisfy the record requirements of § 195.310 for pressure tests and that WRC failed to produce any pressure-test records, operating-pressure charts, logs, or other supporting evidence to show that the MOP had been set in accordance with § 195.406(a).

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.406(a) by failing to properly establish the Pipeline's MOP.

**Item 2:** The Notice alleged that Respondent violated 49 C.F.R. § 195.505, which states:

**§ 195.505 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;
- (c) Allow individuals that are not qualified pursuant to this subpart to perform a covered task if directed and observed by an individual that is qualified;
- (d) Evaluate an individual if the operator has reason to believe that the individual's performance of a covered task contributed to an accident as defined in Part 195;
- (e) Evaluate an individual if the operator has reason to believe that the individual is no longer qualified to perform a covered task;
- (f) Communicate changes that affect covered tasks to individuals performing those covered tasks;
- (g) Identify those covered tasks and the intervals at which evaluation of the individual's qualifications is needed;
- (h) After December 16, 2004, provide training, as appropriate, to ensure that individuals performing covered tasks have the necessary knowledge and skills to perform the tasks in a manner that ensures the safe operation of pipeline facilities; and
- (i) After December 16, 2004, notify the Administrator or a state agency participating under 49 U.S.C. Chapter 601 if the operator significantly modifies the program after the administrator or state agency has verified that it complies with this section. Notifications to PHMSA may be submitted by electronic mail to *InformationResourcesManager@dot.gov*, or by mail to ATTN: Information Resources Manager DOT/PHMSA/OPS, East Building, 2nd Floor, E22-321, New Jersey Avenue SE., Washington, DC 20590.

The Notice alleged that Respondent violated 49 C.F.R. § 195.505 by failing to have a written operator qualification (OQ) program. Specifically, the Notice alleged that the written OQ program WRC had in place was abandoned after 2004 and there was no written OQ program in use at the time of the inspection. The Notice also alleged that a WRC representative indicated that the former OQ plan was out-of-date and not used. Based on the foregoing, the Notice alleged that WRC did not have personnel performing covered tasks who were qualified under a written OQ plan that complied with the provisions of § 195.505.

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.505 by failing to have a written OQ program in use at the time of the PHMSA inspection.

**Item 3:** The Notice alleged that Respondent violated 49 C.F.R. § 195.452(b)(5), which states:

**§ 195.452 Pipeline integrity management in high consequence areas.**

- (a) ...
- (b) What program and practices must operators use to manage pipeline integrity? Each operator of a pipeline covered by this section must:
  - (1) ...
  - (5) Implement and follow the program.

The Notice alleged that Respondent violated 49 C.F.R. § 195.452(b)(5) by failing to implement and follow its integrity management program (IMP). Specifically, the Notice alleged that Respondent failed to perform a validation dig and analysis of anomalies identified from an in-line-inspection (ILI), as required by WRC's *ILI and Rehabilitation Manual- Section 6*. In support of the allegation, the Notice alleged that WRC did not have records of validation digs from its 2005 and 2010 ILIs. The Notice also alleged that during the inspection, WRC stated it had compared the anomalies identified in the 2005 ILI to the anomalies identified in the 2010 ILI, but that the comparison was incomplete because it failed to include validation digs, as required by WRC's own IMP.

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.452(b)(5) by failing to implement and follow its IMP.

**Item 4:** The Notice alleged that Respondent violated 49 C.F.R. § 195.420(b), which states:

**§ 195.420 Valve maintenance.**

- (a) ...
- (b) Each operator shall, at intervals not exceeding 7½ months, but at least twice each calendar year, inspect each mainline valve to determine that it is functioning properly.

The Notice alleged that Respondent violated 49 C.F.R. § 195.420(b) by failing to inspect each mainline valve (MLV) at intervals not exceeding 7½ months, but at least twice each year. Specifically, the Notice alleged that WRC has eight MLVs and it failed to provide valve inspection records or other supporting evidence to demonstrate that valve inspections occurred on the following instances:

- 2012 - 8 inspections (second inspection of the calendar year)
- 2013 - 8 inspections (first inspection of the calendar year)
- 2014 - 15 inspections (All MLVs for the entire calendar year with the exception of one inspection of the South Beaver Creek MLV)
- 2015 - 8 inspections (second inspection of the calendar year)

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.420(b) by failing to inspect each MLV at intervals not exceeding 7½ months, but at least twice each year.

**Item 5:** The Notice alleged that Respondent violated 49 C.F.R. § 195.402(c)(13), which states:

**§ 195.402 Procedural manual for operations, maintenance, and emergencies.**

(a) ...

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

(1) ...

(13) Periodically reviewing the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and taking corrective action where deficiencies are found.

The Notice alleged that Respondent violated 49 C.F.R. § 195.402(c)(13) by failing to review the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and taking corrective action where deficiencies were found. Specifically, the Notice alleged that WRC did not have records or other supporting evidence to demonstrate that it performed periodic reviews of the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance, for the period between 2012 and 2015.

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.402(c)(13) by failing to review the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and to take corrective action where deficiencies were found.

**Item 6:** The Notice alleged that Respondent violated 49 C.F.R. § 195.428(a), which states:

**§ 195.428 Overpressure safety devices and overfill protection systems.**

(a) Except as provided in paragraph (b) of this section, each operator shall, at intervals not exceeding 15 months, but at least once each calendar year, or in the case of pipelines used to carry highly volatile liquids, at intervals not to exceed 7½ months, but at least twice each calendar year, inspect and test each pressure limiting device, relief valve, pressure regulator, or other item of pressure control equipment to determine that it is functioning properly, is in good mechanical condition, and is adequate from the standpoint of capacity and reliability of operation for the service in which it is used.

The Notice alleged that Respondent violated 49 C.F.R. § 195.428(a) by failing to inspect and test each overpressure safety device to determine that it was functioning properly, was in good mechanical condition, and was adequate from a standpoint of capacity and reliability of operation for the service in which it was used, at intervals not exceeding 15 months but at least twice each calendar year. Specifically, the Notice alleged that WRC had a high-pressure shut-down switch for its pump and a pressure-relief valve downstream of its pump at its Newcastle Refinery. However, the Notice alleged that WRC did not have any records for the period of

2012 through 2015 or other substantiating evidence to demonstrate that it had actually inspected and tested its pressure-control equipment to determine that it was functioning properly, was in good mechanical condition, and was adequate from a standpoint of capacity and reliability of operation for the service in which it was used.

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.428(a) by failing to inspect and test each overpressure safety device to determine that it was functioning properly, was in good mechanical condition, and was adequate from a standpoint of capacity and reliability of operation for the service in which it was used, at intervals not exceeding 15 months but at least twice each calendar year.

**Item 7:** The Notice alleged that Respondent violated 49 C.F.R. § 195.583(a), which states:

**§ 195.583 What must I do to monitor atmospheric control?**

(a) You must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:

If the pipeline is located:	Then the frequency of inspection is:
Onshore.....	At least once every 3 calendar years, but with intervals not exceeding 39 months.
Offshore.....	At least once each calendar year, but with intervals not exceeding 15 months.

The Notice alleged that Respondent violated 49 C.F.R. § 195.583(a) by failing to inspect each onshore pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion at least once every three calendar years, but with intervals not exceeding 39 months. Specifically, the Notice alleged that WRC had no records of atmospheric corrosion inspection monitoring from 2010 through 2015, for at least eight sites where the pipeline is exposed to the atmosphere. Consequently, WRC missed at least one inspection cycle for the eight sites.

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.583(a) by failing to inspect each onshore pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion at least once every three calendar years, but with intervals not exceeding 39 months.

**Item 8:** The Notice alleged that Respondent violated 49 C.F.R. § 195.573(a)(1), which states, in relevant part:

**§ 195.573 What must I do to monitor external corrosion control?**

(a) Protected pipelines. You must do the following to determine whether cathodic protection required by this subpart complies with §195.571:

(1) Conduct tests on the protected pipeline at least once each calendar year, but with intervals not exceeding 15 months. . .

The Notice alleged that Respondent violated 49 C.F.R. § 195.573(a)(1) by failing to conduct tests on its cathodically-protected pipeline at least once each calendar year, but with intervals not exceeding 15 months. Specifically, the Notice alleged that WRC performed pipe-to-soil surveys at its 44 cathodic-protection test stations in June 2011, but failed to produce any records or substantiating evidence for inspections during years 2012, 2013, and 2014. Therefore, the Notice alleged, WRC failed to perform 132 corrosion-control monitoring inspections between 2012 and 2014 at the requisite intervals.

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.573(a)(1) by failing to conduct tests on its cathodically-protected pipeline at least once each calendar year, but with intervals not exceeding 15 months.

**Item 9:** The Notice alleged that Respondent violated 49 C.F.R. § 195.573(c), which states:

**§ 195.573 What must I do to monitor external corrosion control?**

(a) ...

(c) *Rectifiers and other devices.* You must electrically check for proper performance each device in the first column at the frequency stated in the second column.

Device	Check frequency
Rectifier .....	At least six times each calendar year, but with intervals not exceeding 2½ months.
Reverse current switch. Diode. Interference bond whose failure would jeopardize structural protection	
Other interface bond.....	At least once each calendar year, but with intervals not exceeding 15 months

The Notice alleged that Respondent violated 49 C.F.R. § 195.573(c) by failing to electrically check the performance of its rectifiers and other devices at least six times each calendar year, but with intervals not exceeding 2½ months. Specifically, the Notice alleged that for a rectifier at Dewey Road, WRC had rectifier inspection records for each month in 2011, but no records or substantiating evidence demonstrating that it had performed rectifier inspections in 2012, 2013, 2014, or 2015.

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.573(c) failing to electrically

check the performance of its rectifiers and other devices at least six times each calendar year, but with intervals not exceeding 2½ months.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

### ASSESSMENT OF PENALTY

Under 49 U.S.C. § 60122, Respondent is subject to an administrative civil penalty not to exceed \$200,000 per violation for each day of the violation, up to a maximum of \$2,000,000 for any related series of violations.<sup>3</sup>

In determining the amount of a civil penalty under 49 U.S.C. § 60122 and 49 C.F.R. § 190.225, I must consider the following criteria: the nature, circumstances, and gravity of the violation, including adverse impact on the environment; the degree of Respondent's culpability; the history of Respondent's prior offenses; and any effect that the penalty may have on its ability to continue doing business; and the good faith of Respondent in attempting to comply with the pipeline safety regulations. In addition, I may consider the economic benefit gained from the violation without any reduction because of subsequent damages, and such other matters as justice may require. The Notice proposed a total civil penalty of \$279,400 for the violations cited above.

**Item 2:** The Notice proposed a civil penalty of \$36,000 for Respondent's violation of 49 C.F.R. § 195.505, for failing to have a written OQ program. WRC neither contested the allegation nor presented any evidence or argument justifying a reduction or elimination of the proposed penalty. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$36,000 for violation of 49 C.F.R. § 195.505.

**Item 4:** The Notice proposed a civil penalty of \$30,400 for Respondent's violation of 49 C.F.R. § 195.420(b), for failing to inspect each MLV at intervals not exceeding 7½ months, but at least twice each year. WRC neither contested the allegation nor presented any evidence or argument justifying a reduction or elimination of the proposed penalty. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$30,400 for violation of 49 C.F.R. § 195.420(b).

**Item 5:** The Notice proposed a civil penalty of \$22,300 for Respondent's violation of 49 C.F.R. § 195.402(c)(13), for failing to review the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and taking corrective action where deficiencies were found. WRC neither contested the allegation nor presented any evidence or argument justifying a reduction or elimination of the proposed penalty. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$22,300 for violation of 49 C.F.R. § 195.402(c)(13).

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<sup>3</sup> These amounts are adjusted annually for inflation. *See, e.g.*, Pipeline Safety: Inflation Adjustment of Maximum Civil Penalties, 82 Fed. Reg. 19325 (April 27, 2017).

**Item 6:** The Notice proposed a civil penalty of \$41,400 for Respondent's violation of 49 C.F.R. § 195.428(a), for failing to inspect and test each overpressure safety device to determine that it was functioning properly, was in good mechanical condition, and was adequate from a standpoint of capacity and reliability of operation for the service in which it was used at intervals not exceeding 15 months, but at least twice each calendar year. WRC neither contested the allegation nor presented any evidence or argument justifying a reduction or elimination of the proposed penalty. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$41,400 for violation of 49 C.F.R. § 195.428(a).

**Item 7:** The Notice proposed a civil penalty of \$24,100 for Respondent's violation of 49 C.F.R. § 195.583(a), for failing to inspect each onshore pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion at least once every three calendar years, but with intervals not exceeding 39 months. WRC neither contested the allegation nor presented any evidence or argument justifying a reduction or elimination of the proposed penalty. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$24,100 for violation of 49 C.F.R. § 195.583(a).

**Item 8:** The Notice proposed a civil penalty of \$72,000 for Respondent's violation of 49 C.F.R. § 195.573(a)(1), for failing to conduct tests on its protected pipeline at least once each calendar year, but with intervals not exceeding 15 months. WRC neither contested the allegation nor presented any evidence or argument justifying a reduction or elimination of the proposed penalty. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$72,000 for violation of 49 C.F.R. § 195.573(a)(1).

**Item 9:** The Notice proposed a civil penalty of \$53,200 for Respondent's violation of 49 C.F.R. § 195.573(c), for failing to electrically check the performance of its rectifiers and other devices at least six times each calendar year, but with intervals not exceeding 2 ½ months. WRC neither contested the allegation nor presented any evidence or argument justifying a reduction or elimination of the proposed penalty. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$53,200 for violation of 49 C.F.R. § 195.573(c).

In summary, having reviewed the record and considered the assessment criteria for each of the items cited above, I assess Respondent a civil penalty of **\$279,400**, which was paid in full by wire transfer on January 23, 2018.

### **COMPLIANCE ORDER**

The Notice proposed a compliance order with respect to **Items 1, 2, and 3** in the Notice for violations of 49 C.F.R. §§ 195.406(a), 195.505, and 195.452(b)(5), respectively. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations:

1. With respect to the violation of § 195.406(a) (**Item 1**), Respondent must submit operating-pressure recording charts or logs to substantiate an MOP under § 195.406(a)(5), or perform a pressure test under the requirements of § 195.406(a)(3) that substantiates the Pipeline's MOP.
2. With respect to the violation of § 195.505 (**Item 2**), Respondent must develop a written OQ program that meets all the provisions of § 195.505 and must follow all the provisions of its OQ program, including ensuring, through evaluation, that individuals performing covered tasks are qualified.
3. With respect to the violation of § 195.452(b)(5) (**Item 3**), Respondent must perform validation dig(s) from the most recent ILI assessment. WRC must submit the results of the validation dig(s) from the integrity assessment.

After receipt of the Final Order, WRC must submit records within 60 days which evidence that **Items 1, 2, and 3** above are complete. The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent and demonstrating good cause for an extension.

It is requested that Respondent maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to the Director. It is requested that these costs be reported in two categories: (1) total cost associated with preparation/revision of plans, procedures, studies and analyses; and (2) total cost associated with replacements, additions and other changes to pipeline infrastructure.

Failure to comply with this Order may result in the administrative assessment of civil penalties not to exceed \$200,000, as adjusted for inflation (49 C.F.R. § 190.223), for each violation for each day the violation continues or in referral to the Attorney General for appropriate relief in a district court of the United States.

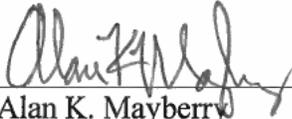
### **WARNING ITEM**

With respect to Item 10, the Notice alleged a probable violation of Part 195 but did not propose a civil penalty or compliance order for this item. Therefore, this is considered to be a warning item. The warning was for:

49 C.F.R. § 195.55(a)(1) (**Item 10**) — Respondent's alleged failure to report safety-related conditions involving pipelines in service regarding general corrosion that reduced wall thickness to less than what was required for the pipeline's MOP, and any localized corrosion pitting to a degree where leakage might result. Specifically, Respondent allegedly failed to submit a safety-related condition report for external corrosion that reduced the MOP.

If OPS finds a violation of this provision in a subsequent inspection, Respondent may be subject to future enforcement action.

The terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.



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Alan K. Mayberry  
Associate Administrator  
for Pipeline Safety

JUN 15 2018

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Date Issued