

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 27, 2018

Mr. Thomas Barrett
President and CEO
Alyeska Pipeline Service Company
PO Box 196660
Anchorage, AK 99519

CPF 5-2018-0014M

Dear Mr. Barrett:

On multiple occasions between April 24, 2017 and March 16, 2018, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Alyeska Pipeline Service Company's Fuel Gas Line procedures for operations and maintenance in Anchorage, Alaska.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Alyeska Pipeline Service Company'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.

...

(5) Starting up and shutting down any part of the pipeline in a manner designed to assure operation within the MAOP limits prescribed by this part, plus the build-up allowed for operation of pressure-limiting and control devices.

The Operator's *OCC 2.15 Department Operating Procedures, Fuel Gas Line and Facility Section* does not explicitly require keeping the pressure within the limits of the Maximum Allowable Operating Pressure upon startup and shutdown as required by § 192.605(b)(5).

2. § 192.631 Control room management

...

(h) Training. Each operator must establish a controller training program and review the training program content to identify potential improvements at least once each calendar year, but at intervals not to exceed 15 months. An operator's program must provide for training each controller to carry out the roles and responsibilities defined by the operator. In addition, the training program must include the following elements:

(1) Responding to abnormal operating conditions likely to occur simultaneously or in sequence.

The Operator's *Operations Control Center Fuel Gas Line and Facility Operations, Section 2.15 Fuel Gas Line and Facility Operations* document does not mention simultaneous or sequential abnormal operating conditions as required by § 192.631(h)(1).

3. § 192.909 How can an operator change its integrity management program?

...

(b) Notification. An operator must notify OPS, in accordance with §192.949, of any change to the program that may substantially affect the program's implementation or may significantly modify the program or schedule for carrying out the program elements. An operator must also notify a State or local pipeline safety authority when either a covered segment is located in a State where OPS has an interstate agent agreement, or an intrastate covered segment is regulated by that State. An operator must provide the notification within 30 days after adopting this type of change into its program.

In *IM-246, the Operator's Fuel Gas Line Integrity Management Plan*, Section 1.5, the procedure is insufficient because there is no provision for notification within 30 days as required by

§ 192.909(b).

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 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 Alyeska Pipeline Service 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, Acting Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2018-0014M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Chris Hoidal
Acting Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 J. Owens/T. Johnson (# 155098)

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