

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

December 31, 2018

Mr. Al Walker
President
Anadarko Petroleum Corporation
1201 Lake Robbin Drive
The Woodlands, TX 77380

CPF 5-2018-5008M

Dear Mr. Walker:

From August 20 through August 24, 2018, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Anadarko's written Operator Qualifications (OQ) Program in The Woodlands, Texas. The OQ Program applies to all of Anadarko's hazardous liquid assets.

Based on the inspection, PHMSA has identified apparent inadequacies found within Anadarko's (operator) written OQ procedures, as described below:

1. §195.505 Qualification Program

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(a) ...

(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; ...

Anadarko's OQ procedures did not establish span of control ratios, and did not consider or fully address factors that influence span of control, such as distance and noise levels. Furthermore, Anadarko personnel could not explain how the span of control ratios were established, and

instead relied upon a third-party vendor to provide the ratios without an appropriate analysis for the basis of stated ratios.

2. §195.505 Qualification Program

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(a) ...

(g) Identify those covered tasks and the intervals at which evaluation of the individual's qualifications is needed; ...

Anadarko's OQ procedures did not establish and justify re-evaluation intervals. Instead, Anadarko used an across-the board application of extended re-evaluation intervals with no documented justification or basis. Additionally, Anadarko's OQ program provided no basis for the re-evaluation interval chosen, and the interval is applied to all tasks regardless of complexity of the task, the critical nature of the task, or the frequency of task performance. Furthermore, Anadarko's OQ program did not identify a minimum time-frame for re-evaluation upon failure of evaluation for a covered task, nor established how many times an individual will be allowed to attempt the requalification process before the qualification is revoked.

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 Anadarko Petroleum Corporation 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 5-2018-5008M** 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

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

cc: PHP-60 Compliance Registry
PHP-500 (D. Fehling #160703)