

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 12, 2020

Mr. H. A. True, III
President
Belle Fourche Pipeline Company
P.O. Box 2360
Casper, WY 82602-2360

CPF 5-2020-5001W

Dear Mr. True:

On January 28 through 30, 2019; June 3 through 7, 2019; July 15 through 19, 2019; July 22 through 26, 2019; and September 12, 2019, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected Belle Fourche Pipeline Company's Bicentennial System in Casper, Wyoming and in the Dickinson, North Dakota areas.

As a result of the inspection, it is alleged that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violations are:

1. § 195.436 Security of facilities.

Each operator shall provide protection for each pumping station and breakout tank area and other exposed facility (such as scraper traps) from vandalism and unauthorized entry.

The Dickison Pump Station was not protected from vandalism and unauthorized entry. At the time of the inspection, the Dickinson Pump Station did not have an exterior fence to prevent unauthorized entry to the station and the storage tank area.

2. § 195.452 Pipeline integrity management in high consequence areas.

(a) Which pipelines are covered by this section?

....

(l) What records must an operator keep to demonstrate compliance? (1) An operator must maintain, for the useful life of the pipeline, records that demonstrate compliance with the requirements of this subpart. At a minimum, an operator must maintain the following records for review during an inspection:

(i) A written integrity management program in accordance with paragraph (b) of this section.

(ii) Documents to support the decisions and analyses, including any modifications, justifications, deviations and determinations made, variances, and actions taken, to implement and evaluate each element of the integrity management program listed in paragraph (f) of this section.

During the inspection Belle Fourche Pipeline Company was unable to provide documents to support the decisions, analyses, and determinations to implement and evaluate each element of the integrity management program. The Emergency Flow Restricting Device Evaluation had been completed. Belle Fourche Pipeline Company was unable to provide any process documentation or decision documentation used for the Evaluation. The process appears to have been used in Section 7.4 Emergency Flow Restricting Device Evaluation (P6.06 -1.9), of the Belle Fourche-Bridger Integrity Management Plan. Belle Fourche Pipeline Company lacked records of the process used or how the resulting decision was determined for the Evaluation.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed \$213,268 per violation per day, with a maximum penalty not to exceed \$2,132,679. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 for a related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the items identified in this letter. Failure to do so will result in Belle Fourche Pipeline Company being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 5-2020-5001W**. 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).

Sincerely,

Dustin Hubbard
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 Jeff Gilliam (#162664)
Ken Dockweiler, Director Land, Government & Compliance (via email)
Jared Radosevich, Pipeline Compliance Coordinator (via email)