

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 28, 2020

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

CPF 5-2020-5002M

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, inspected Belle Fourche Pipeline Company's (BFPC) written plans and procedures in Casper, Wyoming.

On the basis of the inspection, PHMSA has identified the apparent inadequacy found within BFPC's plans or procedures, as described below:

1. **§ 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) ...
 - (3) **Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.**

BFPC's manual of written procedures for operations, maintenance, and emergencies was inadequate to assure the safe operation of its pipeline system. Specifically, BFPC's manual of written procedures did not include any procedures for how BFPC personnel or a contractor complies with the internal corrosion mitigation requirements for breakout tanks established under 49 C.F.R. § 195.579(d)¹, which is included within subpart H of part 195. During the inspection, BFPC stated it used a contractor's procedures for installing tank bottom linings in tanks built to API Standard 650.² However, BFPC's own manual of written procedures did not cite to these procedures nor did it include its own separate procedural requirements for contractors to follow when they installed tank bottom linings to ensure compliance with API RP 652 pursuant to 49 C.F.R. § 195.579(d).³ PHMSA recommends that, at a minimum, the operator include reference to the contractor's procedures or develop its own procedure for the installation of tank bottom linings pursuant § 195.579(d) in its own manual of written procedures.

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).

¹ 49 C.F.R. § 195.579(d) requires that “[a]fter October 2, 2000, when you install a tank bottom lining in an aboveground breakout tank built to API Spec 12F (incorporated by reference, see § 195.3), API Std 620 (incorporated by reference, see § 195.3), API Std 650 (incorporated by reference, see § 195.3), or API Std 650's predecessor, Standard 12C, you must install the lining in accordance with API RP 652 (incorporated by reference, see § 195.3). However, you don't need to comply with API RP 652 when installing any tank for which you note in the corrosion control procedures established under § 195.402(c)(3) why compliance with all or certain provisions of API RP 652 is not necessary for the safety of the tank.”

² See 49 C.F.R. 195.10 (stating that “An operator may make arrangements with another person for the performance of any action required by this part. However, the operator is not thereby relieved from the responsibility for compliance with any requirement of this part.”)

³ BFPC's manual of written procedures did not otherwise state why compliance with all or certain provisions of API RP 652 is not necessary for the safety of the tank(s).

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 forty-five (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 Belle Fourche Pipeline 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 Dustin Hubbard, Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2020-5002M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Dustin Hubbard
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 Jeff Gilliam (#162664)
Ken Dockweiler, Director Land, Government & Compliance (via email)
Jared Radosevich, Pipeline Compliance Coordinator (via email)