



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

NOTICE OF AMENDMENT

VIA E-MAIL TO MS. DANIKA YEAGER

June 3, 2022

Ms. Danika Yeager
Interim President
Alyeska Pipeline Company
P.O. Box 196660
Anchorage, AK 99519

CPF 5-2022-031-NOA

Dear Ms. Yeager:

From April 26 to April 30, 2021, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Alyeska Pipeline Company's (Alyeska) procedures for an integrated inspection of the Trans-Alaska Pipeline (TAPS) in Anchorage, Alaska.

On the basis of the inspection, PHMSA has identified an apparent inadequacy found within Alyeska'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.**

Alyeska's procedure *MP-166-3.25 Atmospheric Corrosion Inspection and Monitoring* (Procedure) described the inspection and monitoring of crude oil piping exposed to the atmosphere to detect and control atmospheric corrosion. The procedure was inadequate to assure the safe operation of its pipeline facilities. Specifically, Alyeska's Procedure failed to include a process by which it could give "particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water" in order to monitor atmospheric corrosion control, as required by § 195.583(b).

Alyeska's Procedure stated, in relevant part as follows, "[t]he Crude Mainline and Fuel Gas Pipeline ILI fulfills the atmospheric corrosion control inspection requirements for the 48" Crude and 8"/10" Fuel Gas pipelines. All above grade appurtenances are not inspected during ILI and therefore must be visually inspected per this procedure."

An In-Line Inspection (ILI) alone is inadequate to fulfill the requirements of § 195.583, as an ILI is unable to assess the condition of the pipe "at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water".

Alyeska must amend its Procedure to ensure compliance with the requirements of § 195.583.

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 90 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 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 5-2022-031-NOA** 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 Enforcement Proceedings*

cc: PHP-60 Compliance Registry
PHP-500 G. St. Pierre (#21-203026)
Allison Iversen, HSEC Director, APSC (via email)
Alyssa Sweet, Regulatory Affairs Manager, APSC (via email)