



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

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.989.2171

NOTICE OF AMENDMENT

OVERNIGHT EXPRESS MAIL

November 20, 2013

Mr. James Smoot
Vice President/Manager of Operations
Honeoye Storage Corporation
4511 Egypt Road
Canandaigua, NY 14424

CPF 1-2013-0006M

Dear Mr. Smoot:

Between July 9-12, 2012, inspectors from the New York State Department of Public Service (NYSDPS), acting as agents for the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected the Honeoye Storage Corporation (Honeoye) public awareness program at the Canandaigua, NY facilities

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Honeoye plans or procedures, as described below:

1. §192.616 Public awareness

- (a) Except for an operator of a master meter or petroleum gas system covered under paragraph (j) of this section, each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see § 192.7).**

Honeoye's Public Awareness Program is inadequate because it failed to reference the API RP 1162 edition as seen in §192.7 (1st edition, December 2003). Honeoye's Public Awareness Program references API RP 1162, but it does not specify the edition of 1162.

There are two editions of API RP 1162. The 1st edition, December 2003, is the only version incorporated by reference in 192.7(c)(2). PHMSA has not adopted the 2nd edition. Therefore, it is important that Honeoye specify the edition of API RP 1162 being used to ensure that it complies with the edition incorporated by reference in the PHMSA regulations.

2. §192.616 Public awareness

- (a) Except for an operator of a master meter or petroleum gas system covered under paragraph (j) of this section, each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see § 192.7).**

Honeoye's Public Awareness Program is inadequate in that it failed to provide guidance on how they demonstrate management support of the program as required by API RP 1162, Section 2.7, Overall Program Administration. Specifically, Honeoye's original Public Awareness Program, and their revised program, did not include a signed statement or other documentation to demonstrate management support of the program.

3. §192.616 Public awareness

(a) Except for an operator of a master meter or petroleum gas system covered under paragraph (j) of this section, each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see § 192.7).

Honeoye's Public Awareness Program is inadequate because it fails to follow the general program recommendations of API RP 1162 Section 7.1. Specifically, Honeoye's program states that the operator Superintendent is the sole person responsible for administering all aspects of the Public Awareness Program, but it does not state him by name. Honeoye's program also lacks the required processes or procedures for conducting all the administration aspects of the program.

4. §192.616 Public awareness

(a)...

(b) The operator's program must follow the general program recommendations of API RP1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Honeoye's Public Awareness Program is inadequate because it fails to follow the general program recommendations of API RP 1162 Section 4 and assess the unique attributes and characteristics of the operator's pipeline and facilities. Specifically, Honeoye's Public Awareness Program does not include a process for identifying when it should be conducting the program in other languages commonly understood by a significant number of non-English speaking populations.

API RP 1162 Section 4 Message Content states

“an operator should select the optimum combination of messages, delivery methods, and frequency that meets the needs of the intended audience . . . communications materials should be provided in the language(s) spoken by a significant portion of the intended audience.”

During the review, Honeoye's representatives stated that they know the stakeholders on its mailing list and that none of them are non-English speaking. However, this is not a defined and documented process.

5. §192.616 Public awareness

(a)...

(b) The operator's program must follow the general program recommendations of API RP1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Honeoye's Public Awareness Program was inadequate because it failed to follow the general program recommendations of API RP 1162 Section 3 Stakeholder audiences, and assess the unique attributes and characteristics of the operator's pipeline and facilities, and refer to Appendix B of API RP 1162. Specifically, Honeoye's Public Awareness Program states the identification of the affected stakeholders in Section VII and Appendix A. Neither of these includes the criteria for determining the buffer area, boundary or the extent of the notifications used for identifying stakeholders that should be included on Honeoye's contact lists.

API RP 1162 Section 3 Stakeholder Audience defines the intended audiences that should be included in the public awareness program. For further examples, operators are referred to Appendix B of API RP 1162. In Appendix B of API RP 1162, under B.1.1 Affected Public, it states that “transmission pipeline operator should tailor its communication coverage area (buffer) to fit its particular pipeline, location, and potential impact consequences.”

6. §192.616 Public awareness

(a)...

(b) The operator's program must follow the general program recommendations of API RP1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Honeoye’s Public Awareness Program was inadequate because it failed to follow API RP 1162 Section 4.3, and assess the unique attributes and characteristics of the operator’s pipeline and facilities. Specifically, Honeoye’s Public Awareness Program failed to provide information about specific potential hazard release characteristics and potential hazards posed by natural gas.

Honeoye mails an all-inclusive single newsletter to all affected stakeholders that does not contain information related to the specific hazards of natural gas releases, as mentioned in Honeoye’s program Section VIII, B. 1.

7. §192.616 Public awareness

(a)...

(b) The operator's program must follow the general program recommendations of API RP1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Honeoye’s Public Awareness Program was inadequate because it failed to follow API RP 1162 Section 4.6.2, and assess the unique attributes and characteristic of the operator’s pipeline and facilities. Specifically, Honeoye’s Public Awareness Program describes the message content in Section VIII and Appendix B. The requirement for this content is included within Appendix B. However the information pertaining to these items does not include any reference to the National Pipeline Mapping System (NPMS) database.

API RP 1162, Section 4.6.2 Transmission Pipeline Mapping states that:

“Pipeline maps developed by transmission pipeline operators can be an important component of an operator’s Public Awareness Program. The level of detail provided on the map should, at a minimum, include line size, product transported and the approximate location of the pipeline, as well as any other information deemed reasonable and necessary by the operator...” and that “The public can also receive information about which pipelines operate in their community by accessing the NPMS...” and that “Operators should include information on the availability of the NPMS within their public awareness materials...”

8. §192.616 Public awareness

(a)...

(b) The operator's program must follow the general program recommendations of API RP1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Honeoye's Public Awareness Program was inadequate because it failed to follow the general recommendations of API RP 1162 Section 4.4.3., and assess the unique attributes and characteristic of the operator's pipeline and facilities. Specifically, Section VIII., B of Honeoye's Public Awareness Program describes the interaction with emergency officials, but does not contain information related to documenting the interactions.

API RP 1162, Section 7.2 states that:

"The operator should maintain records of key program elements to demonstrate the level of implementation of its Public Awareness Program..."

API RP 1162, Section 4.4.3 Emergency Preparedness Response Programs states that:

"Operators are required by federal regulations to have emergency response programs. These programs should be developed for use internally and externally, with appropriate officials, and in accordance with applicable federal and state emergency regulations..." and that "The operator should include information about how emergency officials can access the operator's emergency response programs covering their jurisdiction..."

9. §192.616 Public awareness

(a)...

(b) The operator's program must follow the general program recommendations of API RP1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Honeoye's Public Awareness Program was inadequate because it failed to follow the general recommendations of API RP 1162 Section 4.4.4., and assess the unique attributes and characteristic of the operator's pipeline and facilities. Specifically, Section VIII., B of Honeoye's Public Awareness Program describes the interaction with emergency officials but does not contain information related to documenting the interactions.

API RP 1162, Section 4.4.4 Emergency Preparedness – Drills and Exercises states that:

"A supplemental means of two-way communication about emergency preparedness is to establish a liaison with emergency response officials through operator or joint emergency response drills, exercises or deployment practices. Information on "unified command system" roles, operating procedures and preparedness for various emergency scenarios can be communicated effectively and thoroughly through a hands-on drill or exercise..."

Honeoye's representative stated that Honeoye provided special emergency response information and training/drills as described in the program for the emergency responders who cover their territory. However, Honeoye did not retain any documentation supporting these actions, nor is documentation mentioned in the Honeoye program.

10. §192.616 Public awareness

(a)...

(b) The operator's program must follow the general program recommendations of API RP1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Honeoye's Public Awareness Program is inadequate because it failed to follow the general recommendations of API RP 1162 Section 8.2, and assess the unique attributes and characteristics of the

operator's pipeline and facilities. Specifically, Honeoye's Public Awareness Program states that the Superintendent will conduct the continual evaluation of the Public Awareness Program that will include at a minimum an annual review that is developed and implemented according to the guidelines in API RP 1162. Honeoye conducted annual self- assessments but the Public Awareness Program did not describe the process or procedures for conducting the annual evaluation.

API RP 1162 Section 8.2 Elements of the Evaluation Program states that

"A program evaluation program should include the measures, means and frequency for tracking performance. The selected set of measures should reflect:

- Whether the program is being implemented as programmed - the process
- Whether the program is effective - program effectiveness.

Based on the results of the evaluation addressing these two questions, the operator may need to make changes in the program implementation process, stakeholder identification effort, messages, means and/or frequency of delivery..."

11. §192.616 Public awareness

(a)...

(b) The operator's program must follow the general program recommendations of API RP1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Honeoye's Public Awareness Program was inadequate because it failed to follow the general program recommendations of API RP 1162 Section 8.3, and access the unique attributes and characteristics of the operator's pipeline and facilities. Specifically, Honeoye's Public Awareness Program lacks the required process or procedures for measuring program implementation and for determining whether the program is effective.

API RP 1162 Section 8.3 Measuring Program Implementation states that..

"The operator should complete an annual audit or review of whether the program has been developed and implemented according to the guidelines in this RP..." and "- Has the public Awareness Program been developed and written to address the objectives, elements and baseline schedule as described Section 2 and remainder of this RP?" and "- Has the Public Awareness Program been implemented and documented according to the written program?...?"

Honeoye's Public Awareness Program sections V and XIII state that an annual audit or review will be conducted and documentation maintained of the self-assessment review performed for each annual review. However, Honeoye's program does not define the methods to document the annual audit or review process, including any forms used, and any changes in Honeoye's program since the last review.

12. §192.616 Public awareness

(a)...

(b) The operator's program must follow the general program recommendations of API RP1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Honeoye's Public Awareness Program was inadequate because it failed to follow the general program recommendations of API RP 1162 Section 8.4.2, and access the unique attributes and characteristics of the operator's pipeline and facilities. Specifically, Section XII of Honeoye's Public Awareness Program entitled Program Evaluation states that methods will be completed for evaluating the program to

determine the effectiveness of the program. However, Honeoye's Public Awareness Program does not have any documented process or procedures for conducting the required effectiveness evaluation every four years.

API RP 1162 Section 8.4.2 Measure 2– Understandability of the Content Message states that

“Program effectiveness surveys are meant to validate the operator's methodologies and the content of the materials used. Upon initial survey, improvements should be incorporated into the program based on the results. Once validated in this initial manner, a program effectiveness survey is only required about every four years. However, when the operator introduces major design changes in its Public Awareness Program a survey to validate the new approaches may be warranted...”

13. §192.616 Public awareness

(a)...

(b) The operator's program must follow the general program recommendations of API RP1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Honeoye's Public Awareness Program was inadequate because it failed to follow the general program recommendations of API RP 1162 Section 8.4.2, and access the unique attributes and characteristics of the operator's pipeline and facilities. Honeoye substantiated that it mailed its survey to all of the stakeholders identified on its mailing list. Honeoye's Public Awareness Program Section XII entitled Program Evaluation states that methods will be completed for evaluating the program to determine the effectiveness of the program. The Program Evaluation section does not contain any processes or procedures for conducting the effectiveness evaluation.

API RP 1162 Section 8.4.2 Measure 2– Understandability of the Content Message states that

“Operators should pre-test public awareness materials for their appeal and the messages for their clarity, understandability and retain-ability before they are widely used...”

14. §192.616 Public awareness

(a)...

(b) The operator's program must follow the general program recommendations of API RP1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Honeoye's Public Awareness Program was inadequate because it failed to follow the general program recommendations of API RP 1162 Section 8.4.3, and access the unique attributes and characteristics of the operator's pipeline and facilities. Honeoye indicated that it mailed its survey to all of the stakeholders identified on its mailing list. Honeoye's Public Awareness Program does not contain adequate procedures on how to measure the stakeholder desired behavior.

API RP 1162 Section 8.4.3 Measure 3—Desired Behaviors by the Intended Stakeholder Audience states that.

“This measure is aimed at determining whether appropriate prevention behaviors have been learned and is taking place when needed and whether appropriate response or mitigation behaviors would occur and have taken place. This is a measure of learned and, if applicable, actual reported behavior...”

15. §192.616 Public awareness

(a)...

(b) The operator's program must follow the general program recommendations of API RP1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Honeoye's Public Awareness Program was inadequate because it failed to follow the general program recommendations of API RP 1162 Section 8.4.4, and access the unique attributes and characteristics of the operator's pipeline and facilities. Specifically, Honeoye did not have comprehensive process to measure the bottom line results of its Public Awareness Program.

API RP 1162, Section 8.4.4 Measure 4 Achieving Bottom-Line Results states that:

“As a baseline, the operator should track the number of incidents and consequences caused by third party excavators. This should include reported near misses; reported pipeline damage occurrences that did not result in a release; and third-party excavation damage events that resulted in pipeline failures...”

Honeoye representatives said that the significant bottom line measurement was that they have not had any third-party pipeline damages to the system. However, Honeoye needs to include Program Evaluation criteria related to third party damages into its Program.

16. §192.616 Public awareness

(a)...

(b) The operator's program must follow the general program recommendations of API RP1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.

Honeoye's Public Awareness Program was inadequate because it failed to follow the general program recommendations of API RP 1162 Sections 8.5 and 2.7 Step 12, and access the unique attributes and characteristics of the operator's pipeline and facilities. Specifically, Honeoye did not establish a process or procedure to implement changes to the Public Awareness Program based on the results of the evaluation findings.

API 1162 - 8.5 Summary of Baseline Evaluation Program contains Table 8-1 entitled “Summary of Baseline Evaluation Program”, and API 1162 - 2.7 Program Development Guide, Step 12 outlines ways to “Implement Continuous Improvement...”

Honeoye's Public Awareness Program Section XII entitled Program Evaluation states that methods will be completed of evaluating the program to determine the effectiveness of the program. The Program Evaluation section does not contain any processes or procedures for conducting the effectiveness evaluation.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. 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). 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 a Final Order.

If, after opportunity for a hearing, 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. § 190.237). 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 Honeoye maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to, as well as any correspondence relating to this Notice to: Byron Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628. Please refer to **CPF 1-2013-0006M** on each document you submit, and please provide a (signed) copy in electronic format whenever possible. Smaller files may be emailed to Byron.Coy@dot.gov. Larger files should be sent on a CD accompanied by the original (signed) paper copy to the Eastern Region Office.

Sincerely,



Byron Coy, PE
Director, Eastern
Pipeline and Hazardous Materials Safety Administration

Cc: Kevin Speicher, NYSDPS

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