U.S. Department
of Transportation

**Pipeline and
Hazardous Materials
Safety Administration**

840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628
609.771.7800

NOTICE OF AMENDMENT

OVERNIGHT EXPRESS DELIVERY

April 30, 2020

Mr. Myron Turfitt
President and Chief Operating Officer
United Refining Company
15 Bradley Street, PO Box 780
Warren, Pennsylvania 16365

CPF 1-2020-5008M

Dear Mr. Turfitt:

From July 22, 2019 to October 10, 2019, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) and an inspector from the New York Department of Public Service (NY DPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Kiantone Pipeline Corporation's (Kiantone) procedures for facilities in Warren, Pennsylvania and West Seneca Terminal, Tonawanda, New York.

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

1. **§ 195.402 Procedural manual for operations, maintenance, and emergencies.**

(a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.

Kiantone's manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies was inadequate. Specifically,

Kiantone's *Operations, Maintenance & Emergency Response Procedures Manual* (Manual) procedures were inadequate regarding the classification of atmospheric corrosion conditions, and timeframes to remediate issues found during these inspections in accordance with §195.583(c) and § 195.585.

Section 195.583(c) states:

> If you find atmospheric corrosion during an inspection, you must provide protection against the corrosion as required by § 195.581.

Section 195.585 states:

> (a) General corrosion. If you find pipe so generally corroded that the remaining wall thickness is less than that required for the maximum operating pressure of the pipeline, you must replace the pipe. However, you need not replace the pipe if you-
>
> (1) Reduce the maximum operating pressure commensurate with the strength of the pipe needed for serviceability based on actual remaining wall thickness; or
>
> (2) Repair the pipe by a method that reliable engineering tests and analyses show can permanently restore the serviceability of the pipe.
>
> (b) Localized corrosion pitting. If you find pipe that has localized corrosion pitting to a degree that leakage might result, you must replace or repair the pipe, unless you reduce the maximum operating pressure commensurate with the strength of the pipe based on actual remaining wall thickness in the pits.

During the inspection, the NY DPS inspector reviewed Kiantone's *Operations, Maintenance & Emergency Response Procedures Manual* (Manual) 15.5 Coatings - Above Grade Facilities [Version 2012-0104]. The manual did not contain any criteria for classifying atmospheric corrosion, nor did it specify timeframes for repair of conditions requiring remediation.

2. **§ 195.402 Procedural manual for operations, maintenance, and emergencies.**

> **(a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.**

Kiantone's manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies was inadequate. Specifically,

Kiantone's *Operations, Maintenance & Emergency Response Procedures Manual* (Manual) failed to include procedures for conducting calibration testing on overpressure protection switches in accordance with § 195.428(a).

Section 195.428(a) states:

> Except as provided in paragraph (b) of this section, each operator shall, at intervals not exceeding 15 months, but at least once each calendar year, or in the case of pipelines used to carry highly volatile liquids, at intervals not to exceed 7½ months, but at least twice each calendar year, inspect and test each pressure limiting device, relief valve, pressure regulator, or other item of pressure control equipment to determine that it is functioning properly, is in good mechanical condition, and is adequate from the standpoint of capacity and reliability of operation for the service in which it is used.

During the inspection, the NY DPS inspector observed calibration testing on three spare pressure switches, which may be placed in the system to prevent over pressurization. The NY DPS inspector requested a procedure for the process witnessed, and Kiantone provided its Manual. The Manual included *14.1 Inspection & Testing of Pressure Control & Overpressure Safety Devices* [Version 2017 0130], which specifies the requirement for pressure switches to be replaced or calibrated annually, not to exceed 15 months. The Manual also *included 14.2.1 Replacing Pressure Safety Devices* [Version 2018 0628], which specifies how to change out a pressure switch. The Manual did not include nor specify a procedure on how to conduct calibration testing.

Therefore, Kiantone's manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies was inadequate.

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 Enforcement 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 30 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 Kiantone Pipeline 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 Robert Burrough, Director, PHMSA Eastern Region, 840 Bear Tavern Road, Suite 300, West Trenton, NJ 08628. Please refer to **CPF 1-2020-5008M** on each document you submit, and whenever possible provide a signed PDF copy in electronic format. Smaller files may be emailed to robert.burrough@dot.gov. Larger files should be sent on USB flash drive accompanied by the original paper copy to the Eastern Region Office.

Additionally, if you choose to respond to this (or any other case), please ensure that any response letter pertains solely to one CPF case number.

Sincerely,

Robert Burrough
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

CC: Dave Wortman, Vice President, Supply and Transportation (via email)
Dan Sobina, Safety Manager, Kiantone Pipeline Corporation (via email)

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