

AMENDED NOTICE OF AMENDMENT

OVERNIGHT EXPRESS DELIVERY

October 14, 2021

Mr. Stan Chapman
Executive Vice President & President, US Pipelines
ANR Pipeline Company
700 Louisiana Street, Suite 700
Houston, Texas 77002

CPF 1-2021-051-NOA

Dear Mr. Chapman:

From April 12 through April 16, 2021, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected ANR Pipeline Company's (ANR) natural gas pipeline operation and maintenance procedures. ANR is the primary OPID in its safety program relationship (SPR) for the following OPIDs: 993, 2616, 2620, 6660, 13769, 15014, 30838, 31145, 31891, 32487, and 39542.

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

1. § 192.605 Procedural manual for operations, maintenance, and emergencies.

(a) *General.* Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

ANR's procedural manual failed to sufficiently describe a process to review and update the

procedural manual, and was therefore inadequate to comply with the requirements of § 192.605(a). Specifically, ANR's *Operations & Maintenance Manual – U.S. Natural Gas Pipelines and Underground Natural Gas Storage Facilities*, dated 03/16/21 (O&M Manual) failed to explicitly incorporate or reference ANR's *Operations and Maintenance Manual Review Process*, dated 04/07/2021 (O&M Review Procedure).

During the inspection, the PHMSA inspectors requested ANR's O&M Manual review procedures. ANR provided its O&M Manual, referencing Section 192.605(a) therein, and its separate O&M Review Procedure. When the PHMSA inspectors asked how the O&M Review Procedure is incorporated to the O&M Manual, ANR discussed that their process is not currently in the O&M manual, rather it is located in a separate document but will be considered to be included in the future. Furthermore, the O&M Manual failed to include a process for including all operation and maintenance manual referenced documents into the annual review.

Therefore, ANR failed to include an adequate process to review and update the operations and maintenance manual, in accordance with § 192.605(a). ANR must revise its procedures to adequately address this requirement.

2. § 192.605 Procedural manual for operations, maintenance, and emergencies.

(a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

ANR's procedures for conducting emergency response activities failed to specify the appropriate review interval not exceeding 15 months, and were therefore inadequate to comply with § 192.605(a). Specifically, ANR's *Emergency Management Corporate Program Manual*, dated 12/03/20 (ERP Procedure) stated that ANR may modify the manual at any frequency during the calendar year, but the manual will be reviewed at least annually. ANR's ERP Procedure failed to require a review within the 15-month interval. ANR did not provide any additional procedure related to the review interval. When the PHMSA inspectors asked if there were additional procedures or guidance related to the review frequency of the emergency response plans, ANR did not provide a response.

Therefore, ANR failed to adequately address the requirement to review and update its emergency response procedures at intervals not exceeding 15 months, but at least once each calendar year, in accordance with § 192.605(a). ANR must revise its procedures to address this requirement.

3. § 192.605 Procedural manual for operations, maintenance, and emergencies.

(a) ...

(b) Maintenance and normal operations. The manual required by

paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.

(1) ...

(3) Making construction records, maps, and operating history available to appropriate operating personnel.

ANR's procedural manual failed to include a process which makes construction records, maps, and operating history available to appropriate operating personnel, and was therefore inadequate to comply with § 192.605(b)(3). During the inspection, the PHMSA inspectors requested ANR's procedure regarding § 192.605(b)(3). ANR provided the O&M Manual and referenced its Section 192.605(b)(3) therein. The O&M Manual - Section 192.605(b)(3) required that construction project managers ensure that maps and records are accessible to personnel and that revisions are submitted as necessary.

During the inspection ANR discussed a process related to how technicians and managers gain and maintain access to internal databases as well as record availability, but stated this process is not documented in the O&M Manual.

Therefore, ANR failed to include a process which makes construction records, maps, and operating history available to appropriate operating personnel, in accordance with § 192.605(b)(3). ANR must revise its procedures to adequately address this requirement.

4. § 192.605 Procedural manual for operations, maintenance, and emergencies.

(a) ...

(d) *Safety-related condition reports.* The manual required by paragraph (a) of this section must include instructions enabling personnel who perform operation and maintenance activities to recognize conditions that potentially may be safety-related conditions that are subject to the reporting requirements of §191.23 of this subchapter.

ANR's procedural manuals failed to include instructions enabling personnel to recognize safety-related conditions (SRCs) subject to § 191.23, and were therefore inadequate under § 192.605(d). Specifically, ANR's O&M Manual and *January 2021 NETT Schedule and New Employee Technical Training- Compliance Module* (SRC Training Procedures) did not provide any instructions enabling personnel who perform operation and maintenance activities to recognize conditions that potentially may be SRCs.

During the inspection, the PHMSA inspectors requested ANR's procedure regarding recognizing safety related conditions. ANR provided the O&M Manual and referenced Section 191.23 therein.

When the PHMSA inspectors re-requested procedures related to recognizing safety related conditions, ANR discussed that SRC training is included in on-board training for personnel. ANR provided SRC Training Procedures. However, these documents were not referenced or incorporated into the O&M Manual. Furthermore, the SRC Training Procedures failed to provide any further guidance or instruction related to recognition of safety-related conditions.

Therefore, ANR failed to include instructions in its procedures to enable personnel to recognize conditions that potentially may be safety-related conditions in accordance with § 192.605(d). ANR must revise its procedures to address this requirement.

5. § 192.907 What must an operator do to implement this subpart?

(a) General. No later than December 17, 2004, an operator of a covered pipeline segment must develop and follow a written integrity management program that contains all the elements described in § 192.911 and that addresses the risks on each covered transmission pipeline segment. The initial integrity management program must consist, at a minimum, of a framework that describes the process for implementing each program element, how relevant decisions will be made and by whom, a time line for completing the work to implement the program element, and how information gained from experience will be continuously incorporated into the program. The framework will evolve into a more detailed and comprehensive program. An operator must make continual improvements to the program.

ANR's Integrity Management Program (IMP) failed to require the operator to notify OPS of any change to the program that may substantially affect its implementation or significantly modify the program or schedule for carrying out the program elements in accordance with § 192.909(b), and was therefore inadequate to comply with § 192.907(a). Under § 192.909(b), an operator must "notify OPS, in accordance with §192.18, of any change to the program that may substantially affect the program's implementation or may significantly modify the program or schedule for carrying out the program elements. An operator must provide notification within 30 days after adopting this type of change into its program." Specifically, ANR's O&M Manual and *US-Gas-IMP US Onshore Gas Pipeline Integrity Management Program*, dated 04/01/21 (IMP Manual) failed to include procedures requiring the operator to notify PHMSA's Office Pipeline Safety (OPS) within 30 days after adopting any change that may substantially affect the program's implementation or which may significantly modify the program or schedule.

During the inspection, the PHMSA inspectors requested ANR's procedure regarding § 192.909. ANR provided the O&M Manual and referenced Section 192.18 therein. However, the O&M Manual did not include the § 192.909 requirements. Furthermore, ANR provided the IMP Manual and referenced Section 13.4.1 therein. Section 13.4.1 of the IMP Manual stated that changes to the integrity management program are made in accordance with the regulation.

However, the IMP Manual failed to state that the operator must notify OPS within 30 days after adopting any change that may substantially affect the program's implementation or which may significantly modify the program or schedule.

Therefore, ANR failed to include adequate details in its integrity management procedures requiring notification to OPS within 30 days after adopting any change that may substantially affect the program's implementation, in accordance with § 192.909(b). ANR must revise its procedures to address this requirement.

On September 27, 2021, ANR provided revised procedures relative to the original Notice issued

on July 16, 2021. My staff has reviewed the amended procedures, and it appears that the inadequacies outlined in the Notice have been corrected. Therefore, no further action is necessary, and this case is now closed. Thank you for your cooperation.

Sincerely,

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

Enclosure: Response Options for Pipeline Operators in Enforcement Proceedings