



An Ergon Company

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September 30, 2023

U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
Attn: Christian Sellu

**Re: Ergon Terminaling, Inc.
CPF- 1-2023-050- NOPV**

Dear Mr. Christian,

Ergon Terminaling, Inc. is in receipt of the notice of probable violation report that we received on September 5, 2023 that include the concerns found from the control room inspection on May 20, 2022.

After a review of the report, Ergon Terminaling, Inc. is submitting the following comments in response.

Comment 1: § 195.446 Control Room Management.

- (a) General. This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section ... Ergon failed to follow its written control room management procedures. Specifically, Ergon failed to follow its Control Room Management Plan, November 2014 (CRM Plan), Section 7.8 regarding monitoring the content and volume of general activity being directed to and required of each controller at least once each calendar year, but at intervals not exceeding 15 months that will assure controllers have sufficient time to analyze and react to incoming alarms. Section 195.446(e)(5)1 requires that Ergon "[m]onitor the content and volume of general activity being directed to and required of each controller at least once each calendar year, but at intervals not exceeding 15 months ... "**
- (b) Ergon's CRM Plan, Section 7.8 stated, in part, "ETI monitors the content and volume of general activity being directed to and required of each controller at least once each calendar year (not to exceed 15 months), to assure controllers have sufficient time to analyze and react to incoming alarms."**
- (c) During the inspection, Ergon was asked to produce records indicating that they monitored the content and volume of general activity being directed to and required of each controller at least once each calendar year but at intervals not exceeding 15 months, to assure that its controllers have sufficient time to analyze and react to incoming alarms. Ergon produced a study that was undertaken in August 2014. While**

- the CRM Plan and regulations required this task to be completed each calendar year, no records or study were presented for 2019, 2020 and 2021. Section 194.446G)(l) requires operators to maintain records that demonstrate compliance with the requirements of this section.
- (d) In addition, Ergon's CRM Plan, Section 7.8.2 was not fully consistent with Section 7.8 as it required Ergon to perform this workload analysis "periodically, annually and/or whenever or [sic] significant changes are being made."
 - (e) Therefore, Ergon failed to follow its written control room procedures pursuant to compliance with §§ 195.446(a) and 195.446(e)(5) during 2019 to 2021.

Ergon Terminaling, Inc. Response 1:

- Ergon does not challenge the observation that it was not doing a documented annual workload analysis on its control room operator. Since the time of the CRM inspection section 7.8 has been amended to better describe what the purpose of the analysis and exactly what is being evaluated during the analysis. Annual Workload Analysis have been conducted for 2022 and 2023 by the Facility Manager. (Documentation Attached).

Comment 2: § 195.446 Control Room Management. General. This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section ... Ergon failed to follow its written control room management procedures. Specifically, Ergon failed to follow its Control Room Management Plan, November 2014 (CRM Plan), Section 7.7 regarding reviewing its Alarm Management Plan to determine its effectiveness pursuant to § 195.446(e)(4)2. Ergon's CRM Plan, Section 7.7 required, in part, that "ET will review the Alarm Management Plan at least once each calendar year, but at intervals not exceeding 15 months, to determine the effectiveness of the plan." Section 7.7 also stated, "[r]eview of the alarm management plan must be documented in the 'Record of Plan Revisions', even if no changes are made."

During the inspection, Ergon was asked to produce documentation indicating that a review of the alarm management plan was conducted during 2019 - 2021. Ergon was unable to provide any records demonstrating that the annual reviews were conducted and documented pursuant to its procedures above.

Therefore, Ergon failed to follow its written procedures regarding conducting annual reviews of its alarm management plan pursuant to §§ 195.446 (a) and 195.446(e)(4).

Ergon Terminaling, Inc. Response 2:

1. Ergon does not challenge the observation that it was not doing a documented annual Alarm Management Plan Review. Since the time of the CRM inspection section 7.7 has been amended to better describe what the purpose of the review is and what specifically will be reviewed. Annual Alarm Management Plan Reviews have been conducted for 2022 and 2023. (Documentation Attached)

Comment 3: 3. § 195.446 Control Room Management. (j) Compliance and deviations. An operator must maintain for review during inspection:

- (1) Records that demonstrate compliance with the requirements of this section; and Ergon failed to maintain records as required by § 195.4460(1) that demonstrate compliance with § 195.446(d)(2) and 195.446(d)(3). Specifically, Ergon failed to maintain records demonstrating that controllers and supervisors were educated in fatigue mitigation strategies and how off-duty activities contribute to fatigue, and records demonstrating they were trained to recognize the effects of fatigue for years 2020 and 2021.
- (2) During the inspection, Ergon was asked to produce records to demonstrate that fatigue education and training was conducted pursuant to §§ 195.446(d)(2) and 195.446(d)(3). Ergon discussed that they did not have training records for 2020, 2021 and prior years. In discussions during the verbal exit briefing, Ergon stated that all employees at the Magnolia Terminal facility are required to qualify as pipeline operators and do receive Fatigue Mitigation Training via the Empower Human Resource Management system and electronic records are available for review. However, the operator was unable to produce records when requested. In communication subsequent to the inspection, Ergon identified that required training was added post-inspection, and that Ergon conducted fatigue mitigation training between May 9, 2022 and June 28, 2022.
- (3) Therefore, Ergon failed to maintain records under § 195.4460(1) demonstrating that the controllers and supervisors were educated and trained regarding fatigue mitigation as required by 195.446(d)(2) and 195.446(d)(3).

Ergon Terminaling, Inc. Response 3:

2. Ergon does not challenge the observation that prior to the inspection we did not have a formal Fatigue Management Training Program. Since the inspection a Fatigue Management Training module has been included in the annual training schedule for all terminal operators at this facility. Training records are stored electronically in the Empower system and can be made available upon request. Section 6.0 of the CRM plan has been amended to reflect this program.

Comment 4: 4. § 195.446 Control Room Management.

(a) ...

(j) Compliance and deviations. An operator must maintain for review during inspection:

- (1) Records that demonstrate compliance with the requirements of this section; and Ergon failed to maintain records as required by § 195.4460(1) that demonstrate compliance with the temporary relief or any other controllers as required by § 195.446(b)(4).

Ergon's Pipeline Control Room Management Plan, November 2014, Section 5.1 stated that its controller will document abnormal conditions, if any exist. It also required the conveying of all necessary information if a temporary or impromptu change in controller responsibility occurs. During the inspection, Ergon discussed how it has day shifts only and there are no regular shift turnover meetings performed. However, Ergon stated that they sometimes conduct shift handovers, but did not retain records documenting the shift handover and information exchanged during the shift change. Therefore, no records were provided documenting hand-over responsibility between controllers.

Therefore, Ergon failed to maintain records of shift handover of responsibility between controllers pursuant to § 195.446(b)(4), as required by § 195.4460(1).

Ergon Terminaling, Inc. Response 4:

3. Ergon does not challenge the observation that prior to the inspection we did not have a documented handover of responsibility procedure. Since the time of the inspection, we have implemented a formal documented process for this activity and section 5.0 of the CRM Plan has been amended to outline specifically what takes place during a handover of responsibility between controllers. A Daily Pump Sheet with the required signatures is attached as documentation that the procedure is being followed as stated in the plan.

Please feel free to contact me with any questions regarding this submittal. My contact information is provided below.

Sincerely,

Ergon Terminaling, Inc.



Craig Rohr

Facility Manager

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Enclosure: Pump Sheet Documented Transfer of Controller
Workload Analysis 2023
Alarm Management Plan Annual Review 2023
Fatigue Education Program Annual Review 2023
Controller Training Program Annual Review 2023
Monthly Safety Related Points August 2023
Alarm Management Plan Annual Review 2022
Workload Analysis 2022
Controller Training Program Annual Review 2022

CC: (225-E-09-102)