

November 22, 2024

Via e-mail to robert.burrough@dot.gov

Mr. Robert Burrough
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration
840 Bear Tavern Road
Suite 300
West Trenton, New Jersey 08628

RE: CPF No. 1-2024-034-WL

Dear Mr. Burrough,

On August 30, 2024, PHMSA issued the above-referenced Warning Letter to CITGO Products Pipeline Co. (CITGO or the Company) in connection with a 2023 inspection of the Company's Lakemont Pipeline System. While CITGO acknowledges that this enforcement case is a warning, many of the probable violations alleged in this matter are also alleged in companion cases.¹ Therefore, CITGO files this response for the record.

Item No. 2

PHMSA alleged that CITGO failed to follow its procedures for conducting annual firefighting extinguisher inspections for calendar years 2021 through 2023 pursuant to section 195.430(a). Specifically, PHMSA alleged that CITGO has failed to follow its procedures for conducting the required inspection because the Company's records did not explicitly discuss each item in the maintenance checklist. Ultimately, PHMSA concluded that CITGO had "failed to follow its manual of written procedures for conducting and documenting its annual firefighting extinguisher inspections."²

Section 195.430(a) requires that operators maintain firefighting equipment at each pump station and breakout area in "proper operating condition at all times."³ CITGO's procedures covering this obligation require personnel to (1) conduct a maintenance inspection annually; (2) use a qualified plant employee or a competent fire equipment service company for the inspection and (3) and record the maintenance in the appropriate box located on the extinguisher label and on the

¹ See CPF Nos. 1-2024-033-NOPV, 1-2024-035-NOPV, 1-2024-036-NOPV, 1-2024-037-NOPV, and 1-2024-038-NOPV.

² Warning Letter, at 1.

³ 49 C.F.R. § 195.430(a).

permanent file by signing initials followed by an X.”⁴ CITGO met all three of these obligations as documented by the service receipt provided to the PHMSA inspector.⁵

While page J-37 of the procedures includes examples of the type of inquiries the inspection should include, there is no obligation in the procedures to document that each of these steps were taken. The documentation obligation is limited to the following: “Record the maintenance in the appropriate box located on the extinguisher label and on the permanent file by signing your initials followed by an ‘x’”. CITGO produced these records and therefore a probable violation is not supportable.

Item No. 7

PHMSA alleged that CITGO failed to test and verify its internal communication plan to provide adequate means for manual operation of the pipeline safely, at least once each calendar year, but at intervals not to exceed 15 months, in accordance with section 195.446(c)(3). PHMSA asserted that CITGO failed to provide records that it had tested and verified its internal communication plan for the Lakemont Pipeline System. During the inspection, PHMSA reviewed the Sour Lake SCADA Outage test dated June 28, 2022, and the SCADA Communication Outage Bryan Control Center record dated April 3, 2020, and April 11, 2021. CITGO explained that it tests one location per year to evaluate a communication outage from the control center perspective. The Sour Lake document involved a planned outage where personnel performed a manual shutdown of the pipeline. Separately, the Bryan Control Room experienced actual SCADA outages in April of 2020 and April of 2021. In accordance with CITGO’s procedures, the company can use actual events in lieu of field testing. These documents were provided during the inspection. In response, the inspector stated that the obligation is site-specific and should not be conducted from the control center perspective.

A site-specific obligation is not codified in section 195.446(c)(3). In fact, PHMSA’s guidance for this particular regulation confirms that “testing and verification should be performed on *at least a representative sampling of the processes and equipment intended to be used during backup operations.*”⁶ Therefore, a probable violation is not supportable.

Although the Eastern Region notes that no further action is necessary since these items are warnings, CITGO respectfully requests that PHMSA withdraw Item Nos. 2 and 7 since the facts do not support a probable violation. It is within the discretion of the Regional Director to withdraw warning items and PHMSA has taken such action in several cases.⁷

⁴ CITGO’s O&M Manual Section J-27 (September 23, 2022).

⁵ Cintas Fire Protection-Service Receipt Records (2020-2023).

⁶ See Control Room Management Frequently Asked Questions C-14 (Jan. 16, 2018).

⁷ PHMSA has demonstrated its authority to withdraw warning items where the facts do not support a probable violation. See *In the Matter of Buckeye Partners*, CPF No. 4-2012-5015 (Oct. 18, 2012); *In the Matter of Conoco Phillips*, CPF No. 5-2004-5009 (Sept. 20, 2006); *In the Matter of Natural Gas Pipeline Co.*, CPF No. 23103 (Aug. 18, 1997); *In the Matter of ExxonMobil*, CPF No. 5-2005-5008 (Jan. 9, 2007); *In the Matter of Bridger Pipeline*, CPF No. 5-2009-5034 (Aug. 30, 2012); *In the Matter of Kinder Morgan, Inc.*, CPF No. 5-2007-1008 (Sept. 1, 2009).

Robert Burrough
November 22, 2024
Page 3

Sincerely,

A handwritten signature in blue ink, appearing to read "B Kurdock".

Brianne K. Kurdock

cc: Joseph St. Peter, Esq. (PHMSA)
Emma Ross, Esq. (PHMSA)
Ann Al-Bahish, Esq. (CITGO)
Jim Curry, Esq. (Outside Counsel for CITGO)