NOTICE OF PROBABLE VIOLATION
PROPOSED CIVIL PENALTY
and
PROPOSED COMPLIANCE ORDER

OVERNIGHT EXPRESS DELIVERY

August 30, 2024

Mr. Carlos Jordá
President and Chief Executive Officer
Citgo Petroleum Corporation (Terminals)
1289 Eldridge Parkway
Houston, Texas 77077

CPF 1-2024-036-NOPV

Dear Mr. Jordá:

From July 24, 2023 through July 28, 2023, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.), conducted an integrated inspection of Citgo Petroleum Corporation Terminals' (Citgo) facilities in Toledo, Ohio.

As a result of the inspection, it is alleged that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violations are:

1. § 194.105 Worst case discharge.

> **(a) …**
>
> **(b) The worst case discharge is the largest volume, in barrels (cubic meters), of the following:**
>
> **(1) …**
>
> **(3) If the response zone contains one or more breakout tanks, the capacity of the single largest tank or battery of tanks within a single secondary containment system, adjusted for the capacity or size of the secondary containment system, expressed in barrels (cubic meters).**

Citgo failed to adequately conduct its worst case discharge calculations. Specifically, Citgo failed to adequately conduct the worst case discharge calculations for its breakout tanks at the Toledo, Ohio facilities in accordance with § 194.105(b)(3).

During the inspection, Citgo provided the *Toledo – FRP – EPA – PHMSA Plan,* dated 02/2323 (Toledo FRP). The Toledo FRP indicated the worst case discharge calculation for its breakout tanks was based on Tank 283 (100,000 barrels (bbl.)) Citgo also provided the *PHMSA Breakout Tank Data Form,* dated March 10, 2023 (BOT Form). The BOT Form indicated that Tank 223 was the largest breakout tank measured in barrel capacity at the facility (180,000 bbl.). During the inspection, PHMSA asked Citgo why it did not use the capacity of the single largest tank or battery of tanks within a single secondary containment system for its worst-case discharge calculation. Citgo stated that incorrect breakout tanks and tank capacities were used in the worst case discharge calculations for the terminal.

Therefore, Citgo failed to adequately conduct its worst case discharge calculations in accordance with § 194.105(b)(3).

2. § 195.310 Records.

(a) A record must be made of each pressure test required by this subpart, and the record of the latest test must be retained as long as the facility tested is in use.

(b) The record required by paragraph (a) of this section must include:

(1) The pressure recording charts;

(2) Test instrument calibration data;

(3) The name of the operator, the name of the person responsible for making the test, and the name of the test company used, if any;

(4) The date and time of the test;

(5) The minimum test pressure;

(6) The test medium;

(7) A description of the facility tested and the test apparatus;

(8) An explanation of any pressure discontinuities, including test failures, that appear on the pressure recording charts; and,

(9) Where elevation differences in the section under test exceed 100 feet (30 meters), a profile of the pipeline that shows the elevation and test sites over the entire length of the test section.

(10) Temperature of the test medium or pipe during the test period.

Citgo failed to make and retain a complete record of each pressure test in accordance § 195.310(a) and (b). Citgo failed to retain an adequate record of the latest test of its pipeline facility at Toledo, Ohio that contains the details of the test required by § 195.310(b).

During the inspection, PHMSA requested records related to breakout tank pressure testing. Citgo provided the *Tank 209 Hydrotest and Tank 210 Hydrotest,* dated 2001 (Hydrotest Record). However, the Hydrotest Records provided were missing information required by § 195.310(b), including the pressure recording charts, test instrumentation calibration data, the name of the operator, the name of the person responsible for making the test, the name of the test company used if any, the minimum test pressure, the test medium, a description of the facility tested and the test apparatus, and an explanation of any pressure discontinuities including test failures that appear on the pressure recording charts. When PHMSA inquired further about the missing information on the Hydrotest Records for breakout tanks 209 and 210, Citgo stated they agreed there is missing data and they have no further information available.

Therefore, Citgo failed to retain a complete record of breakout tank 209 and 210 pressure tests, in accordance with § 195.310(a) and (b).

3. § 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.**

Citgo failed to follow its manual of written procedures. Specifically, Citgo failed to follow its *O&M Manual Section J– Inspection and Maintenance,* dated 09/23/22 (O&M - Section J) for conducting its annual firefighting extinguisher inspections for calendar years 2020 through 2022 pursuant to § 195.430(a).

Section 195.430(a) requires operators to maintain adequate firefighting equipment at each pump station and breakout tank area, and that the equipment must be "[i]n proper operating condition at all times."

O&M – Section J, addresses inspection requirements for firefighting equipment. Page J-37, addressing the annual maintenance checks for fire extinguishers, stated in part that "[t]he annual maintenance check includes, for example, a complete examination of all its part, cleaning, replacement or defective parts, reassembly, recharging and where appropriate, repressurization … 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." Additionally, the OM Section J included an annual maintenance checklist to be completed.

During the inspection, PHMSA requested records related to annual fire extinguisher inspections for calendar years 2020 through 2022 at its Toledo, Ohio terminal. Citgo provided, *Inspection Certificate/ Fire Alarm & Life Safety System* (Annual Fire Records). The Annual Fire Records, however, failed to include the information as required per the O&M – Section J. The Annual Fire Records failed to include any inspections or data to support the items listed in the annual maintenance checklist.

Therefore, Citgo failed to follow its manual of written procedures for conducting and documenting its annual firefighting extinguisher inspections for calendar years 2020 through 2022, in accordance with § 195.402, pursuant to § 195.430(a).

4. § 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.

Citgo failed to conduct an annual review of its operations and maintenance manual at intervals not exceeding 15 months but at least once each calendar year. Specifically, Citgo failed to conduct an adequate annual review of its operations and maintenance manual for calendar years 2020, 2021 and 2022, in accordance with § 195.402(a).

During the inspection, PHMSA requested annual review records of the operations and maintenance manual for calendar years 2020 through 2022. Citgo provided the *Operations & Maintenance / Emergency Procedures Plans/ OQ Plan Review Record,* dated 12/15/22, 11/4/21 and 01/22/20. When PHMSA inquired about whether the annual review covers the Citgo integrity management manual as well as all incorporated by reference documents, Citgo discussed that the annual review only covers operations and maintenance, emergency plans and operator qualification plans.

Furthermore, Citgo provided the *Integrity Management Program for Hazardous Liquid Pipelines – TPL-EPCC-LIMP, dated 10/01/22* (LIMP). The LIMP stated in part "Review Cycle – 5 Years." The LIMP states an incorrect frequency for review, as it is required to be a part of the operations and maintenance manual pursuant to § 195.402(c)(3)[a] and thus subject to the review frequency of § 195.402(a).

Therefore, Citgo failed to conduct an adequate annual review of its operations and maintenance manual for calendar years 2020, 2021 and 2022, in accordance with § 195.402(a).

5. § 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.

[a] Under § 195.402(c)(3), the manual required by paragraph (a) of this section must include the procedures addressing "[o]perating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part."

Citgo failed to follow its manual of written procedures. Specifically, Citgo failed to follow its *O&M Manual Section J– Inspection and Maintenance,* dated 09/23/22 (O&M – Section J) for conducting its monthly firefighting extinguisher inspections in accordance with § 195.430(a).

Citgo's O&M - Section J addresses inspection requirements for firefighting equipment. Page J-33, Fire Equipment, stated in part that "[a]ll fire fighting equipment will be checked monthly and annually to insure proper operating conditions. Fire Extinguisher Inspection log, CPL-200 or equivalent, is to be used to record the inspections."

During the inspection PHMSA requested fire protection equipment monthly records related to § 195.430. Citgo provided, *Citgo Toledo – Monthly Fire Extinguisher Checklist,* dated 2021 and 2022 (Monthly Fire Records). The Monthly Fire Records failed to include an inspection conducted each month of 2021 (September – December). When PHMSA asked Citgo about the missing monthly records and data, Citgo stated all of the information has been provided and gave no further response. Additionally, the Monthly Fire Records provided failed to use the appropriate form, per Section J of O&M. Furthermore, the Monthly Fire Records failed to indicate the day of the inspection and the hydrotest date, and the form utilized would not appear to constitute an equivalent to the CPL-200 form specified by Citgo's procedures.

Therefore, Citgo failed to follow its manual of written procedures for conducting its monthly firefighting extinguisher inspections during calendar years 2021 and 2022, in accordance with § 195.402(a), pursuant to § 195.430(a).

6. § 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.

Citgo failed to follow its manual of written procedures. Specifically, Citgo failed to follow its *O&M Manual Section K– Inspection and Maintenance,* dated 08/31/22 (O&M – Section K) regarding installation of cathodic protection test leads.

The O&M – Section K, page K-33, required in part, that "[e]ach buried or submerged pipeline or segment of pipeline under cathodic protection must have electrical test leads for external corrosion control monitoring in order to facilitate cathodic protection testing and to demonstrate its adequacy."

Further, §195.567(b) requires, in part:

> (b) Installation. You must install test leads as follows:
> (1) Locate the leads at intervals frequent enough to obtain electrical measurements indicating the adequacy of cathodic protection.

During the field inspection on July 26-27, 2023, PHMSA observed cathodic protection readings being taken on the 2.3-mile pipelines associated with Citgo's Toledo, Ohio terminal, located within the Citgo terminal and the BP terminal. PHMSA inquired about the location of electrical test leads for external corrosion control. Citgo stated that there are not any test leads located in the Citgo terminal or within the BP terminal as the pipeline is small, and there is no need to install test leads. PHMSA observed Citgo during the field inspection take readings directly from the pipeline coating, and not from electrical test leads.

Therefore, Citgo failed to follow its manual of written procedures for installing test leads at intervals frequent enough to obtain electrical measurements indicating the adequacy of cathodic protection, in accordance with § 195.402(a).

7. § 195.402 Procedural manual for operations, maintenance, and emergencies.

> **(a) …**
>
> **(c)** ***Maintenance and normal operations*. The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:**
>
> **(1) …**
>
> **(13) Periodically reviewing the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and taking corrective action where deficiencies are found.**

Citgo failed to conduct periodic reviews of the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and taking corrective action where deficiencies are found as required by § 195.402(c)(13). Specifically, Citgo failed to provide records or other documentation that demonstrated the work done by operator personnel was reviewed to determine the effectiveness of the procedures used in normal operations, or what corrective actions were taken if any deficiencies were found, in calendar years 2020, 2021, and 2022.

During the inspection, PHSMA requested records related to § 195.402(c)(13) for calendar years 2020 through 2022. Citgo provided *Annual Review of Employee Performance, dated 2020, 2021 and 2022* (Performance Reviews). The Performance Reviews, however, indicated an annual review of individual employees' job performance, and did not contain an effectiveness review of procedures pursuant to § 195.402(c)(13). The Performance Reviews failed to indicate what effectiveness reviews were conducted of the work done, what procedure was reviewed by operator personnel in normal operation and maintenance tasks, when the task was completed and what corrective actions were taken if any deficiencies were found.

Therefore, Citgo failed to conduct periodic reviews of the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and taking corrective action where deficiencies are found in calendar years 2020, 2021 and 2022 in accordance with § 195.402(c)(13).

8. § 195.406 Maximum operating pressure.

> **(a) Except for surge pressures and other variations from normal operations, no operator may operate a pipeline at a pressure that exceeds any of the following:**

(1) The internal design pressure of the pipe determined in accordance with § 195.106. However, for steel pipe in pipelines being converted under § 195.5, if one or more factors of the design formula (§ 195.106) are unknown, one of the following pressures is to be used as design pressure:

(i) Eighty percent of the first test pressure that produces yield under section N5.0 of appendix N of ASME/ANSI B31.8 (incorporated by reference, see § 195.3), reduced by the appropriate factors in §§ 195.106 (a) and (e); or

(ii) If the pipe is 12¾ inch (324 mm) or less outside diameter and is not tested to yield under this paragraph, 200 p.s.i. (1379 kPa) gage.

(2) The design pressure of any other component of the pipeline.

(3) Eighty percent of the test pressure for any part of the pipeline which has been pressure tested under subpart E of this part.

(4) Eighty percent of the factory test pressure or of the prototype test pressure for any individually installed component which is excepted from testing under § 195.305.

(5) For pipelines under §§ 195.302(b)(1) and (b)(2)(i) that have not been pressure tested under subpart E of this part, 80 percent of the test pressure or highest operating pressure to which the pipeline was subjected for 4 or more continuous hours that can be demonstrated by recording charts or logs made at the time the test or operations were conducted.

Citgo failed to maintain adequate records that demonstrate that the maximum operating pressure (MOP) of its jurisdictional pipeline segments (pipeline 236-A, pipeline 236-B) were determined in accordance with § 195.406(a). Specifically, the documents provided by Citgo failed to include details of an overall calculation of the MOP on the pipelines considering all factors required by § 195.406(a).

During the inspection, PHMSA requested records supporting the MOP of the two pipelines at the Toledo terminal. Citgo provided the, *Interoffice Email Memorandum-236A (*Interoffice Email Memorandum*),* dated 09/22/22 *and Test Results Report-236A,* dated 08/18/22 (MOP Records).

The Interoffice Email Memorandum was a Citgo email stating that a hydrostatic test was conducted on pipeline segment 236-A. The Test Results Report was the hydrostatic test report for pipeline segment 236-A. Citgo did not provide any documentation related to the calculation of internal design pressure for pipeline 236-A or 236-B, as required by § 195.406(a)(1) pursuant to § 195.106(a) for its two pipelines.

None of the documents provided by Citgo included details of an overall calculation of the MOP on the pipeline considering all factors required by § 195.406(a). When PHMSA asked for additional information regarding records related to calculation of the MOP on the pipeline, Citgo did not provide any additional information. Citgo stated that the MOP's were 740 psi, but has no records to substantiate the data or verify the § 195.106(a) parameters.

Therefore, Citgo failed to maintain adequate records that demonstrate that the maximum operating pressure (MOP) of its two jurisdictional pipeline segments were determined in accordance with § 195.406(a).

9. § 195.428 Overpressure safety devices and overfill protection systems.

(a) 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 7 1⁄2 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.

Citgo failed to inspect and test each pressure limiting device, relief valve, pressure regulator, or other item of pressure control equipment at intervals not exceeding 15 months, but at least once each calendar year, 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. Specifically, Citgo failed to adequately document its overpressure relief valve inspections for calendar years 2021 through 2023 to determine that they are functioning properly, are in good mechanical condition, and are adequate from the standpoint of capacity and reliability of operation for the service in which it is used, in accordance with § 195.428.

During the inspection, PHMSA requested overpressure safety device records for calendar years 2021 through 2023. Citgo provided, *Checklist for Safety Device Inspection,* dated 2021 through 2023 (OPP Records). The OPP Records covered a variety of pressure transmitters, pressure switches and thermal relief devices on its pipelines 236-A, 236-B and devices associated with breakout tanks. The OPP Records form required a checkbox selection to be made on if the safety device's "Operation", "Mechanical", "General Condition", "Initial Test" Calibration and "Recalibration" were satisfactory or unsatisfactory. However, the OPP Records failed to indicate how the thermal relief devices and pressure transmitters were tested, and whether they were adequate from the standpoint of capacity and reliability and what the as-found, as-left and set-pressures were for each device. When PHMSA asked where this data was found on the OPP Records, Citgo stated they are unaware of what conditions are met to rate an overpressure safety device as satisfactory or unsatisfactory.

Therefore, Citgo failed to adequately document its overpressure relief valve inspections during calendar years 2021 through 2023, to determine that they are functioning properly, are in good mechanical condition, and are adequate from the standpoint of capacity and reliability of operation for the service in which it is used, in accordance with § 195.428.

10. § 195.446 Control room management.

(a) …

(c) Provide adequate information. Each operator must provide its controllers with the information, tools, processes and procedures necessary for the controllers to carry out the roles and responsibilities the operator has defined by performing each of the following:

(1)…

(3) Test and verify an 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;

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 § 195.446(c)(3). Specifically, Citgo failed to provide records that demonstrate it tested and verified its internal communication plan at least once each calendar year, but at intervals not to exceed 15 months during calendar years 2020 and 2021 at its Linden, New Jersey, pipeline facility.

During the inspection, PHMSA requested records for calendar years 2020 – 2021 related to the testing of the internal communication plan at the Toledo, Ohio terminal. Citgo provided the *SCADA Communication Outage Bryan Control Center record, dated 04/03/20* and *04/11/21* (SCADA Records). The SCADA Records, however, were loss of power communication events that occurred at the main control center in Bryan, Texas and were not associated in any way to the Toledo, Ohio pipeline system, nor did they demonstrate testing of the internal communication plan. When PHMSA requested additional information about how the SCADA Records demonstrate testing of the internal communication plan in place at Toledo, Ohio terminal, Citgo discussed how they use actual events in lieu of testing. The events, however, did not occur at the Toledo, Ohio terminal and therefore cannot be used to demonstrate testing the actual communication plan that is in place at the terminal. Furthermore, the events did not demonstrate a full test and verification for the manual operation of the pipeline.

Therefore, 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 during calendar years 2020 and 2021, in accordance with § 195.446(c)(3).

<u>Proposed Civil Penalty</u>

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed $266,015 per violation per day the violation persists, up to a maximum of $2,660,135 for a related series of violations. For violation occurring on or after January 6, 2023 and before December 28, 2023, the maximum penalty may not exceed $257,664 per violation per day the violation persists, up to a maximum of $2,576,627 for a related series of violations. For violation occurring on or after March 21, 2022 and before January 6, 2023, the maximum penalty may not exceed $239,142 per violation per day the violation persists, up to a maximum of $2,391,412 for a related series of violations. For violation occurring on or after May 3, 2021 and before March 21, 2022, the maximum penalty may not exceed $225,134 per violation per day the violation persists, up to a maximum of $2,251,334 for a related series of violations. For violation occurring on or after January 11, 2021 and before May 3, 2021, the maximum penalty may not exceed $222,504 per violation per day the violation persists, up to a maximum of $2,225,034 for a related series of violations. For violation occurring on or after July 31, 2019 and before January 11, 2021, the maximum penalty may not exceed $218,647 per violation per day the violation persists, up to a maximum of $2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed $213,268 per violation per day, with a maximum penalty not to exceed $2,132,679.

We have reviewed the circumstances and supporting documentation involved for the above probable violations and recommend that you be preliminarily assessed a civil penalty of $ 20,800 as follows:

Item number	PENALTY
2	$ 20,800

Proposed Compliance Order

With respect to Items 6 and 8, pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Citgo Petroleum Corporation (Terminals). Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Warning Items

With respect to Items 1, 3, 4, 5, 7, 9, and 10, we have reviewed the circumstances and supporting documents involved in this case and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to promptly correct these items. Failure to do so may result in additional enforcement action.

Response to this Notice

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. All material you submit in response to this enforcement action may be 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 your receipt of this Notice, you have 30 days to respond as described in the enclosed *Response Options*. 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 you are responding to this Notice, we propose that you submit your correspondence to my office within 30 days from receipt of this Notice. The Region Director may extend the period for responding upon a written request timely submitted demonstrating good cause for an extension.

In your correspondence on this matter, please refer to **CPF 1-2024-036-NOPV** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Enforcement Proceedings

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Citgo Petroleum Corporation Terminals (Citgo) a Compliance Order incorporating the following remedial requirements to ensure the compliance of Citgo with the pipeline safety regulations:

A. In regard to Item 6 of the Notice pertaining to failing to install test leads as required, Citgo must review the placement of its test leads throughout its pipelines, and install test leads in sufficient quantity to facilitate cathodic protection testing. Citgo must submit documentation demonstrating the remedial actions taken to the Director, Eastern Region within **120** days of receipt of the Final Order.

B. In regard to Item 8 of the Notice pertaining to failure to maintain adequate records supporting and demonstrating the calculation of maximum operating pressure (MOP), Citgo must review the entirety of its historical records and pipe characteristics and provide a written justification which confirms the MOP of the two (2) pipeline segments described in Item 8 is 740psi, in accordance with 49 C.F.R. § 195.406(a)(1)-(5), within **60** days of receipt of the Final Order. If unable to confirm through records that this MOP is valid and complies with § 195.406(a)(1)-(5), Citgo must take additional measures on the pipeline such as investigating its pipe characteristics or reducing the pipeline MOP, until the pipeline MOP is able to be confirmed via compliant records. Citgo must submit its justification and/or documentation of remedial actions taken to the Director, Eastern Region within **60** days of receipt of the Final Order.

C. It is requested (not mandated) that Citgo Petroleum Corporation (Terminals) maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Robert Burrough, Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.