

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY**

In the Matter of

Beta Offshore,

Respondent.

CPF No. 2-2024-006-NOPV

WRITTEN RESPONSE TO NOPV

Pursuant to 49 C.F.R. § 190.208(a), Beta Offshore (Beta or the Company) respectfully submits this response to the Notice of Probable Violation and Proposed Civil Penalty (Notice) that the Office of Pipeline Safety (OPS) issued on June 12, 2024.

While Beta does not contest the alleged violations or the proposed civil penalty, the Company contests one of the statements of fact in the narrative of the allegations for Items 1 and 2 in the Notice. A correction to this fact statement is necessary to avoid public confusion, confusion in other legal proceedings, and to provide a fuller description of the circumstances of the October 2021 incident. Beta respectfully requests that PHMSA make the clarification described below in the eventual final order in this case. Beta also provides PHMSA with an overview of the improvements made to its Drug and Alcohol Plan since the 2021 incident.

Beta shares PHMSA’s commitment to pipeline safety and appreciates the Agency’s feedback during the inspection. Beta has used the October 2021 incident as an opportunity to learn and improve its programs.

I. Factual Clarifications

The Notice quotes a portion of the NTSB report for the October 2021 incident which provides that “pipeline controllers contributed to the 14-hour delay in stopping the pipeline’s shipping pumps, which consequently increased the volume of crude oil released, following the first leak alarm.”¹ This statement in isolation suggests that Beta never shut off the pumps over the course of 14 hours. However, the NTSB report makes it clear that Beta did not run the pumps that entire time. Beta personnel stopped the pumps and attempted to determine the cause of the alarms, including by

¹ Anchor Strike of Underwater Pipeline and Eventual Crude Oil Release, National Transportation Safety Board (NTSB), MIR-24-01, at ix (Jan. 2, 2024).

searching for a leak on the platform.² The NTSB report provides that, “[o]ver the next 13 hours, the controllers conducted seven pipeline shutdowns and restarts during troubleshooting of the alarms.”³

Beta respectfully requests that PHMSA make clear in the final order that Beta did not run the pumps for 14 hours after the first alarm indications, and instead shut down and restarted the pipeline several times as part of its efforts to attempt to determine the cause of the alarms.

II. Beta’s Efforts to Improve its Drug and Alcohol Program

Using the October 2021 incident as a learning opportunity, Beta has since implemented a number of improvements to its Drug and Alcohol (D&A) Plan. These improvements include:

- Review and updates to the Amplify Energy Drug and Alcohol Plan (2022).
- Non-DOT Safety Sensitive employees subject to random drug and alcohol testing at rates consistent with DOT-covered peers.
- Implementation of oral fluid testing as the primary method for conducting Non-DOT Safety Sensitive random drug tests.
- Implementation of hair follicle testing for pre-employment testing for all new hires with continued use of urine testing for pre-employment testing for all DOT-covered roles.
- Continued use of urine testing for all DOT drug screening until oral fluid testing is adopted by the DOT.
- Required all employees to review and certify understanding of the new Drug and Alcohol Plan which took effect January 1, 2023.

III. Conclusion

Please do not hesitate to contact me if you have any questions about this response.

Beta requests a copy of the Regional Director’s recommendation in this case upon issuance, and reserves the right to reply in writing to that recommendation.

Sincerely,

Jason Moore

Jason Moore
Vice President, Human Resources &
Administration
Amplify Energy Corp

² *Id.* at 4-7.

³ *Id.* at 1.