TALLGRASS ENERGY

March 19, 2019

Mr. Allan Beshore
Director, Central Region
Pipeline and Hazardous Materials Safety Administration
901 Locust Street, Suite 462
Kansas City, MO 64106

Re: **CPF No. 3-2019-5011M**
Notice of Amendment – Tallgrass Pony Express Pipeline, LLC

Dear Mr. Beshore,

Tallgrass Pony Express Pipeline, LLC (PXP) has compiled the following in response to the Notice of Amendment (NOA) received on February 19, 2019 indicating apparent inadequacies found within our procedures. A response has been compiled for each correlating item number listed in the NOA.

Item 1
Tallgrass procedures include a 'References' section, usually located at the end of each procedure. The intent of this section is to connect procedural text of the document to principal code requirements, associated Company procedures and forms, standards, and other appropriate items that are referenced within the document. As indicated in the NOA, API Standard 650 is referenced within the procedural text of the document, but not included under the 'References' section, and to label O&M Procedure *OM2101_L – Atmospheric Breakout Tank Inspections* inadequate due to an administrative edit seems inappropriate. However, the inspector's attention to detail is appreciated and the administrative edit has been made (see below).

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O&M PROCEDURE

No. OM2101_L
Title: Atmospheric Breakout Tank Inspections
Revised: January 8, 2018

6. **References**

- 49 CFR Part 195.405
- 49 CFR Part 195.432
- O&M Procedure OM002_GL – DOT Standards Incorporated by Reference
- O&M Procedure OM134_GL - Confined Space Entry
- O&M Procedure OM903_GL – External Corrosion Control for Buried or Submerged Pipelines
- O&M Procedure OM918_GL - Inspecting for Atmospheric Corrosion
- O&M Procedure OM1400_GL – DOT Records and Retention
- O&M Form OM2100-01_L - Annual In-Service Tank Inspection Form
- O&M Form OM2100-02_L - Monthly Tank Inspection Checklist
- O&M Form OM2100-03_L - 5 Year External In-Service Breakout Tank Inspection
- O&M Form OM2100-04_L - Internal Out-of-Service Breakout Tank Inspection
- API Standard 650
- API RP 651
- API Standard 653
- API RP 2003
- API Publication 2026
- API RP 2350
- API Standard 2610
- NFPA-30

As found in the first paragraph of O&M Procedure *OM500_L – Pump Station Emergency Shutdown*, Section 3.6, "*As applicable, describe steps servicing the ESD reservoirs, valve maintenance, UPS systems, backup generators, adding rain caps to the blow down stacks, etc.*", the "*as applicable*" is a preface to generalize the information that follows. Reference to Section 3.6 is made in the NOA received, yet Section 3.3, which is titled Remote Control Blowdown System Venting/Flares (for [HVLs] only) seems to be the concern. It's important to note that Section 3.3 is specific to HVLs only, as designated in the title. O&M Procedure *OM704_L – Overpressure and Overfill Protective Devices* contains the sump/relief tank information sought, not *OM500_L - Pump Station Emergency Shutdown* as indicated in the NOA (see below).

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O&M PROCEDURE

No. OM704_L
Title: Overpressure and Overfill Protective Devices
Revised: January 2, 2018

- Tank Abnormal High-Level (Over Fill)
- Containment System Abnormal High-Level (Over Fill)
  - Pump Seal Leakage Tank
  - Facility Catchment Basin
  - In Ground Sump Tank
  - Above Ground Sump Tank
  - Relief Tank
  - Other (containment system that could discharge product to the environment during an abnormal operation)

Item 2

O&M Procedure *OM111_GL – Fire Prevention* has been amended to include Breakout Tanks in Section 3.5 and Table 2 (see below).

TALLGRASS

O&M PROCEDURE

No. OM111_GL
Title: Fire Prevention
Revised: June 20, 2017

3.5. Fire Extinguisher Placement

Keep all fire extinguishers and fixed extinguishing systems fully charged and operational. Keep fire extinguishers in their designated locations when not in use.

Determine the number of fire extinguishers required to protect property by taking into account:

- The building's area and arrangement
- The severity of the hazard
- The potential classes of fires
- The distance between extinguishers

Keep enough spare extinguishers to maintain adequate protection during extinguisher maintenance or recharge. Keep spare dry chemicals and cartridges on hand to replace spent fire extinguishers.

Place extinguishers at plants, transmission stations, compressor stations, pump stations, breakout tanks, offices, etc. at maximum distances defined in Table 1.

Mount and label portable fire extinguishers as follows:

- Mount extinguishers in a conspicuous location free from obstructions
- Mount extinguishers with a minimum of 4-inches (10cm) from the ground or floor; and
- a maximum of 3.5-feet (for extinguishers > 40 lbs) from the floor to the top of extinguisher; or
- a maximum of 5-feet from the floor (for extinguishers < 40 lbs) to the top of the extinguisher
- Place signs or decals reading "Fire Extinguisher" to identify the extinguisher's location

Table 2 suggests fire extinguisher sizes and types for various locations. Contact your EHS Personnel for help in determining the type, size or number of extinguishers needed.

Table 2

Location	# of Extinguishers	Size	Agent	Type
Cars	1	10 lb.	ABC or Purple K	Stored Pressure or Cartridge Operated
			CO2	Stored Pressure
Pickups	1	10 lb.	ABC or Purple K	Stored Pressure or Cartridge Operated
			CO2	Stored Pressure
Mechanic Trucks	2	20 or 30 lb.	ABC or Purple K	Stored Pressure or Cartridge Operated
			CO2	Stored Pressure
Welding Trucks	2	20 or 30 lb.	ABC or Purple K	Stored Pressure or Cartridge Operated
			CO2	Stored Pressure
Plant Processing Areas	Determined by plant size	20 and 30 lb.	Purple K	Stored Pressure or Cartridge Operated
			CO2	Stored Pressure
Offices	Determined by office size	Various	Determined by hazard	Various types
Transmission Stations	Determined by station size	20 and 30 lb.	Purple K	Stored Pressure or Cartridge Operated
			CO2	Stored Pressure
Compressor Stations	Determined by station size	20 and 30 lb.	Purple K	Stored Pressure or Cartridge Operated
			CO2	Stored Pressure
Pump Stations	Determined by station size	20 and 30 lb.	Purple K	Stored Pressure or Cartridge Operated
			CO2	Stored Pressure
Breakout Tanks	Determined by station size	20 and 30 lb.	ABC or Purple K	Stored Pressure or Cartridge Operated
Electrical equipment rooms and areas	Determined by room and area size	10 lb.	CO2	Stored Pressure

Item 3

The procedures and plan specified in the NOA as being deficient in complying with §195.402(e)(6) contains the information deemed missing as highlighted below.

TALLGRASS

No.	O&M 1900_L
Title:	Abnormal Operating Conditions and Emergency Response Plan
Revised:	March 18, 2016

O&M PROCEDURE

3.4.2. Emergency Response Plan Elements

Area/facility personnel will develop a site-specific ERP using forms L-OM1900-01 through L-OM1900-17 as guidelines, as well as other documents. The information required in the ERP is listed in the Documentation section. In addition, the ERP should cover all types of emergencies and AOCs listed in Section 3.4.1 of this procedure as well as all the details listed below. The EHS Representative can assist in developing the plan. Facilities covered under an OPA 90 Plan meet the required elements of the ERP

The ERP will include details to:

- Make the area safe (people first, then property)
- Isolate the area/facility
- Establish methods for notifying fire, police, and other appropriate public officials of the emergency (Emergency Phone numbers, in addition to 911 should be included)
- Notify the public
- Minimize public exposure to injury and probability of accidental ignition by assisting with evacuation of residents and assisting with halting traffic on roads and railroads in the affected area, or taking other appropriate action.
- Provide facility plot plan or pipeline map indicating ESDs, evacuation routes, first aid stations, eye washes/showers, fire extinguishing equipment and meeting locations
- Establish procedures for employees who remain to maintain critical operations until they evacuate
- Establish emergency escape procedures and routes
- Identify medical and rescue responsibilities
- Provide primary and alternate meeting locations for employees and contractors after evacuation
- Describe emergency alarms
- Obtain labor, instruments, tools, materials and equipment necessary at the scene of the emergency
- Identify emergency shutdowns and pressure reduction procedures for affected pipeline segments

Please understand that most of our procedures, specifically emergency related procedures, refer to O&M Procedure *OM159 – Undesired Event Response*, which is the primary emergency response procedure utilized by Tallgrass personnel (see below), and explicitly contains the appropriate information as well.

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O&M PROCEDURE

No. OM159_GL
Title: Undesired Event Response
Revised: August 1, 2018

Appendix A – ERL Communication Protocol

The following protocol is a tool used to provide a timeline of actions to be taken and persons responsible for each phase of the event.

STEP	TIME	RESPONSIBILITY	ITEM
1	Immediately upon discovery	Third-Party or Company Employee	• Contact Operations manager and/or supervisor • Operations manager or supervisor contact OCC • Employ applicable Emergency Response Manual/Plan • Refer to Appendix B – Initial Discovery Guide for baseline information requirements. **Contact fire department and/or law enforcement if the event is endangering the health or welfare of the public, a traffic hazard exists, or the potential for an explosion or fire exists.**

Tallgrass would like to request that the procedure PHMSA has on file be re-examined to confirm the validity of this apparent inadequacy.

Item 4

In response to the apparent inadequacies found in O&M Procedures *OM1400_L – Records Retention by O&M Procedure* and *OM1401_L – Records Retention by O&M Form* identified in item 4 of the NOA, it's important to note that it was communicated during the inspection that these procedures were in the process of being overhauled. Both procedures were developed solely as internal guides to assist Tallgrass personnel in connecting specific area/department activities with appropriate procedures, regulatory references, operations and maintenance tasks, associated compliance records and retention periods. A new O&M Procedure, *OM1400_GL – DOT Records and Retention,* was finalized in 2018 to replace these procedures and combine both gas and liquid tasks (see below).

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O&M PROCEDURE

No. OM1400_GL
Title: DOT Records and Retention
Revised: February 1, 2019

Attachment 1 – Tallgrass Summary of Tasks

Breakout Tanks						
Aboveground Tank External Condition - Annually	OM2101_L, OM2102_L	49 CFR 195.432	At least once each calendar year, not to exceed 15 months.	I-2101.01	OM2100-01_L	49 CFR 195.404(c)(3) - 2 years OR until the next inspection or test is performed, whichever is longer.
Aboveground Tank External Condition - Monthly	OM2101_L, OM2102_L	49 CFR 195.432	At least 12 times each calendar year, not to exceed 1.5 months.	I-2101.02	OM2100-02_L	49 CFR 195.404(c)(3) - 2 years OR until the next inspection or test is performed, whichever is longer.
Corrosion						
Atmospheric Corrosion Inspection	OM918_GL	49 CFR 192.481, 195.583	Once each 3 calendar years, not to exceed 39 months.	I-1141.00	OM200-02_GL, OM300-03_GL, OM900-03_GL, CPDM	49 CFR 192.491(c) – 5 years. 49 CFR 195.589(c) - 5 years.
Corrosion Rectifiers	OM903_GL	49 CFR 192.465(b), 195.573(c)	At least 6 times each calendar year, not to exceed 2 ½ months.	I-1130.00		49 CFR 192.491(c) – 5 years 49 CFR 195.589(c) - 5 years.
Examination of Buried Pipe when Exposed	OM0204_GL, OM268_GL	49 CFR 192.605(b)(9), 195.402(C)(14), 192.459, 195.569	Whenever excavation is performed.		OM200-02_GL, OM200-02-IMP	49 CFR 192.491(c) - Life of Facility. 49 CFR 195.589(c) - Life of Facility.
Exposed Coating Inspection	OM903_GL, OM268_GL	49 CFR 192.461, 195.561, 195.569	Each time pipe is exposed.		OM200-02_GL, OM200-02_IMP	49 CFR 192.491(c) – 5 years. 49 CFR 195.589(c) - 5 years.

Please understand that each task/subject listed in O&M Procedure *OM1400_GL – DOT Records and Retention* may not include a retention period as there are tasks/subjects listed that are not required by 49 CFR §192 and §195, but instead are required by another code (e.g. 29 CFR applicable to Safety and 40 CFR applicable to Environmental) or an established business practice (see below). Therefore, if the retention period is not specified it's an indication that one does not exist for the associated task/subject. A blank retention period does not make this procedure inadequate as stated in the NOA. The procedure title may be the cause of confusion as not all tasks/subjects listed are DOT required.

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O&M PROCEDURE

No. OM1400_GL
Title: DOT Records and Retention
Revised: February 1, 2019

Attachment 1 – Tallgrass Summary of Tasks

Task/Subject	Tallgrass Procedure/Plan	Regulatory References	Interval	I&M Procedure	Tallgrass Form/Associated Records	Retention Period
Environmental						
Asbestos	OM1204_GL	29 CFR 1910.1001	As necessary.	I-1402.00		
Hazardous Waste Storage	OM1204_GL	40 CFR 265.174	Weekly	I-4405.00		
Report Hazardous Chemicals	OM1216_GL		At least once each calendar year, not to exceed 15 months.			
SPCC Exemption	OM1203_GL	40 CFR 112	At least once each calendar year, not to exceed 15 months.		Memo	5 Years
Spill Prevention	OM1203_GL	40 CFR 112	At least once each calendar year, not to exceed 15 months.		SPCC Plan	5 Years.
Safety						
Electrical Equipment – Critical Load Hi-Potting	OM152_GL, OM184_GL, OM1503_GL		As determined by local facility manager	I-1702.01		
Electrical Equipment – Equipment Inspection	OM184_GL		At least once each calendar year, not to exceed 15 months	I-1703.00		
Electrical Gloves	OM184_GL	29 CFR 1910.137, Table I-5	Twice each calendar year, not to exceed 6 months.	I-1705.00	Third Party Certification.	

The procedure now reflects the retention of form PHMSA F 7000.1 as illustrated below.

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O&M PROCEDURE

No. OM1400_GL
Title: DOT Records and Retention
Revised: February 1, 2019

Compliance (DOT-PHMSA)						
Accident/Incident Reporting	OM159_GL, OM162_GL	49 CFR 192.5, 192.15, 192.605 (b)(4), 192.617 195.50, 195.402(c)(2),	Upon occurrence.		DOT Form PHMSA F 7100.2, DOT Form PHMSA 7000-1	PHMSA Portal - Life of Facility.
Annual O&M Review	OM000_GL	49 CFR 192.605(a), 195.402(a)	At least once each calendar year, not to exceed 15 months.		OM000-02_GL	Life of Company.

In May of 2018, O&M Procedure *OM1404_L – Maps and Records* was archived and a new procedure, *OM1404_GL – Maps and Records,* was developed to include both gas and liquid assets. At that time breakout tanks were added to section 3.2 (see below).

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O&M PROCEDURE

No.	OM1404_GL
Title:	Maps and Records
Revised:	August 1, 2018

3.2. Drawings, Plat Sheets, Maps and Other Records

Maintain in each regional/corporate office, drawings, plat sheets, maps or other records for each pipeline including at least the following information:

- The location and identification of the following pipeline facilities:
  - **Breakout tanks**
  - Pump stations
  - Scraper and sphere facilities

A tremendous amount of time was spent dissecting the retention requirements contained throughout the Subparts of 49 CFR to modify O&M Procedure *OM1400_GL – DOT Records and Retention* effectively. The retention requirements outlined in code can easily be misconstrued if unclear to the interpreter. It would be extremely helpful if PHMSA published a comprehensive retention catalogue or included one under §195.404 (and §192.709) for operators to utilize. If PHMSA already has a catalogue available may we request it be shared? It would be beneficial to compare and incorporate any available information into the established O&M Procedure *OM1400_GL – DOT Records and Retention.*

Item 5

Following the inspection, in November of 2016, Tallgrass updated Liquid *IMP Section 4 - High Consequence Areas*, Section 3.2 to remove the incorrect statement *"Tallgrass does not currently operate breakout tanks"*. The Ponca City Tank is an identified breakout tank.

Item 6

The inconsistency in pipeline shutdown response time found between the Emergency Response Plan and the IMP has been corrected. Tallgrass Liquid *IMP 109_L Preventive and Mitigative Measures* and associated form *OM 200-63_L Pipeline System Leak Detection Analysis Sheet* have been revised to be consistent with the Emergency Response Plan.

Item 7

The current Operator Qualification Plan, revised date of July 1, 2017, contains the requested information in Sections 5.3 and 7.1.6 (see below).

TALLGRASS ENERGY PARTNERS	Tallgrass Energy Partners
	Operator Qualification Plan

5.3. AGENCY COMMUNICATION

PHMSA will be notified if significant changes are made to the Plan per 192.805(i) and 195.505(i).

Email: informationreasourcesmanager@dot.gov
Mail: ATTN: Information Resources Manager SOT/PHMSA/OPS, East Building, 2nd Floor, E22-321, New Jersey Avenue SE, Washington, DC 20590.

As applicable to Plan modifications, significant changes include:

- Increasing evaluation intervals;
- Increasing SOC ratios;
- Eliminating covered tasks;
- Mergers and/or acquisition changes;
- Evaluation method changes such as written vs. observation; and

Wholesale changes made to the OQ plan.

7.1.6. DOCUMENTATION – EFFECTIVENESS REVIEW

Additionally, when significant changes are made to this Plan, Tallgrass will notify the Office of Pipeline Safety and/or the participating state pipeline agency, as appropriate, of those changes. Notifications will be stored and maintained by the PHMSA Compliance Group.

Reviews may be conducted by Tallgrass personnel or a third-party, and will include documentation of the review findings and any corrective action taken.

Again, we greatly appreciate the feedback provided by your agency, and the opportunity to improve our procedures. Procedure effectiveness reviews are ongoing, which proves our commitment to enhancing and correcting identified issues. Please do not hesitate to contact me should you have any questions or would like to discuss any of the material provided in further detail.

Sincerely,

Jennifer Eckels
Compliance Manager, Tallgrass Energy
370 Van Gordon Street | Lakewood, CO 80228 | Phone: (303) 763-3486

CC: Tallgrass – Mick Rafter, Craig Meis, Jay Meyers, Chris Jones
PHMSA – Karen Butler