



Via Electronic Mail

March 4, 2021

Greg Ochs, Director
Central Region
Pipeline and Hazardous Materials Safety Administration
U.S. Department of Transportation
901 Locust Street, Suite 462
Kansas City, MO 64106

Re: White Cliffs Pipeline LLC
Warning Letter
CPF 3-2021-008WL

Dear Mr. Ochs:

The Warning Letter (Letter) referenced above was dated February 2, 2021 and received by White Cliffs Pipeline, LLC (White Cliffs or Company) on the same day via electronic mail. The Letter was received following an inspection of the White Cliffs field assets and field records both virtually and onsite in Colorado, Kansas and Oklahoma over the dates of September 29 through November 16, 2020. White Cliffs is a subsidiary of Energy Transfer (ET).

White Cliffs neither admits nor denies the allegation of violation of 49 C.F.R. Part §195.589 and although a written response is not required, White Cliffs has chosen to respond in order to address the probable violation detailed in the letter.

Should you have any questions or concerns please contact me at (713) 989-7126 or via email at todd.nardozzi@energytransfer.com. White Cliffs appreciates PHMSA's consideration of this response and shares PHMSA's commitment to pipeline safety, public safety, and pipeline integrity.

Sincerely,

Todd Nardozzi
Director – Regulatory Compliance
Energy Transfer

cc: Greg McIlwain, SVP of Operations
Chris Lason, VP of Asset Integrity
Mark Milliken, VP – Technical Services
Dawn McGuire, Esq., Assistant General Counsel

1. §195.589 What corrosion control information do I have to maintain?

(a) ...

(c) You must maintain a record of each analysis, check, demonstration, examination, inspection, investigation, review, survey, and test required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that corrosion requiring control measures does not exist. You must retain these records for at least 5 years, except that records related to sections 195.569, 195.573(a) and (b), and 195.579(b)(3) and (c) must be retained for as long as the pipeline remains in service.

§195.571 What criteria must I use to determine the adequacy of cathodic protection?

Cathodic protection required by this subpart must comply with one or more of the applicable criteria and other considerations for cathodic protection contained in paragraphs 6.2.2, 6.2.3, 6.2.4, 6.2.5 and 6.3 in NACE SP 0169 (incorporated by reference, see § 195.3).

PHMSA alleges that White Cliffs failed to maintain records of IR drop consideration for test points in the White Cliffs system for the time period 2018-2020 as also required by the Rose Rock IR drop consideration procedure noted in italics below. PHMSA alleges that the six stations below failed to have IR drop consideration information as listed below:

- Sharon Station WC1
- Sharon Station WC2
- Laird Station WC1
- Laird Station WC2
- Cunningham Station WC1
- Cunningham Station WC2

Rose Rock IR Drop Consideration Procedure:

3.6 IR Drop Consideration 195.571

3.6.1 Voltage drop is considered by taking potential readings directly over, or as near as practical to the structure surface. The effect of the potential measuring circuit is kept to a minimum by using a high resistance voltmeter and being mindful of lead lengths and condition, contact to structure and contact to electrolyte.

3.6.2. At locations where the pipe-to-soil reading is suspected to not represent the cathodic protection level on the structure, the cathodic protection level can be determined by utilizing one or more of the following methods:

3.6.2.1 Measuring or calculating the voltage drops

3.6.2.2 Reviewing the historical performance of the cathodic protection system

3.6.2.3 Evaluating the physical or electrical characteristics of the pipeline and its environment

3.6.2.4 Determining if there is physical evidence of corrosion

Response – White Cliffs was acquired by Energy Transfer in December 2019. Prior to the acquisition, White Cliffs operated under the Rose Rock Midstream Corrosion Control Procedures. Paragraph 3.6.1 of the Rose Rock IR Drop Consideration Procedure describes the steps that are required to minimize the potential for voltage drop. Paragraph 3.6.2 directs personnel to consider taking additional steps if the pipe-to-soil reading is suspected to not represent the cathodic protection level on the structure. The Rose Rock procedures did not require on/off surveys.

After the acquisition by Energy Transfer, White Cliffs began operating under Energy Transfer's Operations and Maintenance procedures and consideration of IR drop is now covered by the Energy Transfer Standard Operating Procedure (SOP) HLD.21 *Measuring IR Drop*. This SOP provides operating personnel with procedures on how to measure or calculate the approximate IR drop in structure-to-electrolyte potential measurements. Additionally, procedures for conducting on/off surveys and the application of cathodic protection criteria are referenced within this SOP, and associated recordkeeping requirements are specified. A copy of HLD.21 is included with this response under Attachment A. White Cliffs will ensure that HLD.21 is followed by personnel responsible for monitoring cathodic protection systems.