

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: bill.moler@tallgrassenergyllp.com;
jennifer.eckels@tallgrassenergyllp.com; brad.armsbury@tallgrassenergyllp.com;

October 18, 2021

William Moler, CEO
Tallgrass Pony Express Pipeline, LLC
4200 W. 115th St. Suite 350
Leawood, KS 66211

CPF 3-2021-044-NOA

Dear Mr. Moler:

From August 2, 2020, to October 25, 2020, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Tallgrass Pony Express Pipeline, LLC's (Tallgrass) procedures for operations and maintenance in Lakewood, Colorado.

On the basis of the inspection, PHMSA has identified apparent inadequacies found within Tallgrass' plans or procedures, as described below:

1. **§ 195.402 Procedural manual for operations, maintenance, and emergencies.**
 - (a)
 - (d) *Abnormal operation.* The manual required by paragraph (a) of this section must include procedures for the following to provide safety when operating design limits have been exceeded:
 - (1) Responding to, investigating, and correcting the cause of:
 - (ii) Increase or decrease in pressure or flow rate outside normal operating limits;

Tallgrass' procedures for abnormal operations failed to account for a response or investigation of all overpressure events over 100% of maximum operating pressure (MOP), and were therefore inadequate to comply with the requirements of § 195.402(d)(1)(ii). Tallgrass' procedure, *OM0159_GL Undesirable Event Response, Section 3.3*, only required the operator to record overpressure events exceeding 110% MOP as abnormal operations, but failed to include a requirement to investigate the cause of any increase or decrease in pressure outside normal operating limits. Tallgrass must modify its procedures so that it clearly defines normal operating limits. Periodic review of abnormal operations must include all recorded exceedances of normal operating limits, including any increase or decrease in pressure or flow rate outside of normal operating limits, as well as any other malfunction of a component, deviation from normal operation, or personnel error which could cause a hazard to persons or property.

2. § 195.402 Procedure 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)

(3) Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.

Tallgrass' procedure for corrosion control failed to provide for the correction of corrosion control deficiencies within a reasonable time as required under § 195.573(e), and was therefore inadequate to comply with § 195.402(c)(3). Under § 195.402(c)(3), an operator must have a written manual for operating, maintaining, and repairing the pipeline system in accordance with the requirements of subpart H. Section 195.573(e), of subpart H, requires an operator to correct any identified deficiency in corrosion control. Tallgrass' procedure, *OM0903_GL External Corrosion Control for Buried or Submerged Pipelines*, did not provide a time frame for the completion of corrosion control maintenance and repair projects. Tallgrass specifies a 45-day time frame to complete recommendations and to report on the results of repairs, however, the procedure did not specify any time frame for the completion of the correction or repair of the deficiency.

Tallgrass must amend its procedures to include, at a minimum; (1) a time frame for evaluating data and determining a course of action; and (2) a time frame for any new installation to be operational and cathodic protection to be in the adequate range.

3. § 195.452 Pipeline integrity management in high consequence areas.

(a)

(f) *What are the elements of an integrity management program?* An integrity management program begins with the initial framework. An operator must continually change the program to reflect operating experience, conclusions drawn from results of the integrity assessments, and other maintenance and surveillance data, and evaluation of consequences of a failure on the high consequence area. An operator must include, at minimum, each of the following elements in its written

integrity management program:

(1)

(8) A process for review of integrity assessment results and information analysis by a person qualified to evaluate the results and information (see paragraph (h)(2) of this section).

Tallgrass' integrity management program failed to include specific qualifications required for personnel who manage and execute integrity assessments, and was therefore inadequate to comply with the requirements of § 195.452(f)(8). Tallgrass defined the responsibilities of the Manager, Asset Integrity, the Integrity Engineers, and the Director, Technical Services by procedure *IMP108_L Continual Assessment and Analysis, Section 8.0.2*. However, Tallgrass made no mention of the qualifications required for these supervisory roles. Tallgrass procedure *IMP111_L Program Administration* states additional roles and responsibilities, including a broad reference to training requirements, but, again, failed to include specific qualifications required for the supervisory roles. Furthermore, procedure *IMP111_L Section 11.3 – Training* states that Asset Integrity team members “are qualified” without listing minimum qualification requirements or standards.

Tallgrass must amend its procedures to require specific qualifications for personnel who manage and execute integrity assessments as required under § 195.452(f)(8).

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. 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. Be advised that all material you submit in response to this enforcement action is subject to being 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 the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under § 190.211. 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 an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 45 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested that Tallgrass maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Gregory A. Ochs, Director, Central Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 3-2021-044-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Gregory A. Ochs
Director, Central Region OPS
Pipeline and Hazardous Materials Safety Administration

Enclosure: Response Options for Pipeline Operators in Enforcement Proceedings