



November 16, 2021

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

Re: CPF 3-2021-044-NOA – Notice of Amendment – Pony Express Pipeline

Dear Mr. Ochs,

Tallgrass has compiled a response for each item number listed in the Notice of Amendment (NOA) received on October 18, 2021, indicating apparent inadequacies found within our procedures during an inspection conducted from August 2, 2020, to October 25, 2020.

Item 1:

PHMSA Allegation:

§ 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.

Tallgrass Item 1 Response:

Tallgrass recognizes that there may be some basis to add clarity to O&M Procedure *OM1902_GL – Abnormal Operation, Section 3 – Core Information and Requirements* (“*OM1902_GL*”). While we believe that we have been operating in compliance with 49 C.F.R. § 195, we respectfully request an additional thirty (30) days to address PHMSA’s concerns to this Allegation. We are currently reviewing this and other related procedures to identify opportunities to clarify the applicable procedures in order to ensure they accurately reflect Tallgrass’ current management of abnormal operations within the requirements of 49 C.F.R. § 195 and demonstrate our adherence with the same.

Item 2:

PHMSA Allegation:

§ 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). 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 Item 2 Response:

Tallgrass believes its Operation and Maintenance Procedures comply with the requirements contained in §§195.573(e) and 195.405(c)(3). Tallgrass’ *OM903_GL External Corrosion Control for Buried or Submerged Pipelines* (“*OM903_GL*”) does in fact contain a reasonable timeframe in which any corrosion control maintenance or repairs, whether identified through any Close Interval Survey, or otherwise, must be completed. Specifically, Section 3.7.9 of *OM903_GL* requires that all remedial actions “necessary to facilitate the effective application of corrosion control” be completed “prior to the next inspection date so long as that date does not exceed 15 months”.

O&M Procedure *OM903_GL*, Section 3.7.9 – Remedial Action, states:

3.7.9. Remedial Action

When cathodic protection levels are discovered to be below established criteria levels, or critical bonds or insulating fittings are defective, take remedial action to restore cathodic protection to acceptable levels. Consider the particular problem affecting pipeline integrity in completing the remedial action. Any remedial action necessary to facilitate the effective application of corrosion control must occur prior to the next inspection date so long as that date does not exceed 15 months. In cases where cathodic protection levels cannot be met or the integrity of the pipeline is of concern, notify the corrosion supervisor.

Notwithstanding the foregoing, Tallgrass will add a cross-reference for clarification purposes only under Section 3.6.2 to Section 3.7.9 of *OM0903_GL* addressing the timing of completion of the identified correction or repair of the corrosion control deficiency. The cross-reference will read:

*Any deficiencies identified under any Close Internal Survey shall be completed under a Close Interval Survey Action Plan within the timeframe identified in **Section 3.7.9 -- Remedial Action** herein.*

Item 3

PHMSA Allegation:

§ 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 Item 3 Response:

Tallgrass maintains that it is in compliance with the requirements of §195.452(f)(8) as the qualifications required for personnel who manage and execute integrity assessments as a part of its Integrity Management Program are specifically identified in *IMP107_L – Pipeline Repair Criteria, section 7.1.2 – Qualification of Results Review Personnel [195.452(h)(1)]* (“IMP107_L”) rather than *IMP108_L*. Tallgrass strongly believes that *IMP107_L* satisfies the requirements of CFR 195.452 (f)(8).¹ *IMP107_L* states, in relevant part:



INTEGRITY MANAGEMENT PROGRAM

Section: IMP107_L
Title: Pipeline Repair Criteria
Revised: July 1, 2020

7.1.2. Qualification of Results Review Personnel [195.452(h)(1)]

Only qualified individuals review and analyze information generated from integrity assessments. Persons evaluating integrity assessment results have specific training and/or experience to qualify them for their specific work tasks. Tallgrass personnel involved in the review and evaluation of integrity assessment results possess at least, or work under the direct supervision of someone who possesses:

- a minimum of a Bachelor of Science Degree in an engineering discipline, or a related field, and
- knowledge by formal training and/or experience of applicable pipeline regulations and industry standards.

Industry training and coursework for each individual is documented in the Asset Integrity Department Training and Development Log.

ILI vendor personnel qualifications are outlined in [O&M Procedure OM916_GL – In-Line Inspections](#) and the vendor profiles.

¹ Notably, Tallgrass was not made aware of PHMSA’s concern in this regard during the time of the inspection; and thus, it could not direct PHMSA to IMP107_L at that time. It was not until October 2020 that Tallgrass became aware of its concern. In response to PHMSA’s concern, since October 2020, Tallgrass has provided IMP107_L to PHMSA on multiple occasions, including after it received PHMSA’s Post Inspection Written Preliminary Findings (“Preliminary Findings”) on January 20, 2021, wherein PHMSA gave Tallgrass an Unsatisfactory Result on this issue. Notably, there was no mention of IMP107_L not satisfying the requirements of 49 CFR Part 195.452 (f)(8) again after receiving the Preliminary Findings, Tallgrass submitted IMP107_L to PHMSA. Conspicuously, in this Notice of Amendment, it appears that PHMSA has not considered the qualifications outlined in IMP107. Thus, Tallgrass is left to assume that PHMSA has either not received the multiple submissions of Tallgrass’ Response or overlooked the same.

Tallgrass respectfully requests PHMSA review *IMPI07_L* Section 7.1.2 in light of this allegation. If after its review of this procedure and Tallgrass' response herein, PHMSA has any remaining concerns, please do not hesitate to contact me to discuss so we can provide any other assistance in resolving this allegation.

Conclusion

Tallgrass greatly appreciates PHMSA's feedback on improvements to Tallgrass' procedures; however, it believes that in each instance it has been in compliance with 49 C.F.R. §195. However, Tallgrass is committed to improving and clarifying its processes and procedures to maintain system integrity, which allows for the continued safe operation of Tallgrass' assets. Additionally, we greatly appreciate the opportunity for additional time to respond to Item 1 so that Tallgrass can provide PHMSA better clarification of the procedure. If you have any remaining concerns or questions regarding the responses provided, please do not hesitate to contact me.

Sincerely,



Jennifer Eckels
Compliance Manager
Tallgrass Energy

CC: Tallgrass – Crystal Heter, Jay Meyers, Jarid Kling, Nicole Longwell
PHMSA – Gabriel Hodill, James Bunn