



Dakota Midstream, LLC
708 Main St, 10th Floor
Houston, TX 77002

(720) 773-5100
www.dakota-midstream.com

RESPONSE TO CPF 3-2021-060-NOA

Mr. Gregory A. Ochs
Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Division
901 Locust Street, Ste 480
Kansas City, MO 64106

November 12, 2021

CPF 3-2021-060-NOA

Mr. Ochs,

Please find included Dakota Midstream's response to the Notice of Amendment that was issued by your office and received via electronic mail on October 13, 2021:

Inadequacy
1. § 195.402 Procedural 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: (13) Periodically reviewing the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and taking corrective action where deficiencies are found. DM's procedures are inadequate because there is no documentation requirement for review of procedures for effectiveness. Also, annual review of critical procedures is specified whereas the intent is for all O&M procedures to be reviewed over a period specified by the operator. Next, the procedure does not have criteria to determine effectiveness. Finally, the focus in the current procedure is on training operators on the procedures whereas the intent of this code section is to determine if procedures are effective not if technicians are following the procedure as currently written. DM must amend its procedures to comply with 195.402(c)(13).

Response: Below is an excerpt from the updated Dakota Midstream O&M Manual which addresses this inadequacy:

2.20 PROCEDURE EFFECTIVENESS REVIEW

2.20.1 PROCEDURE AND ACTIVITIES REVIEW

Per 49 CFR 195.402(c)(13), all procedures and activities outlined in the Normal Operations and Maintenance section of this O&M Manual shall be reviewed by appropriate Dakota Midstream personnel annually with review spacing not to exceed 15 months. Detailed criteria for effectiveness of the procedures reviewed shall be decided on a case-by-case basis based on the nature of the procedure. If deficiencies are found, corrective action will be taken and the changes appropriately documented.

2.20.2 EFFECTIVENESS REVIEW DOCUMENTATION

The procedure effectiveness review will be coordinated by the Pipeline Supervisor or designee and will be performed in conjunction with the annual O&M Manual review. Changes to the O&M procedures as well as a written explanation of the changes shall be recorded on form **OPS.33**.

Inadequacy	
2.	§ 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) A process for identifying which pipeline segments could affect a high consequence area; DM's procedures are inadequate because there is no procedure for periodic review to determine if new HCAs have been identified that could be affected by DM's pipeline system and facilities. DM must amend its procedures to comply with 195.452 (f)(1). Also, the procedure must have a recordkeeping component that highlights the conclusions drawn.

Response: Below is an excerpt from the updated Dakota Midstream O&M Manual which addresses this inadequacy:

3.19.4 HCA IDENTIFICATION

[§195.452(f)(1)]

Per 49 CFR 195.452(f)(1), the Dakota Midstream engineering team shall periodically review all jurisdictional pipeline segments using the NPMS mapping system and other publicly available datasets in order to determine which, if any, affect High-Consequence Areas (HCAs). These reviews shall be performed annually and any newly identified HCAs along with their identification methodology shall be documented using form OPS.40

Inadequacy	
3.	§ 195.505 Qualification Program Each operator shall have and follow a written qualification program. The program shall include provisions to: (a) Identify covered tasks DM's procedures are inadequate because their covered task list does not include composite wrap which is mentioned in their OQ program but not in the covered task list. Also, their covered task list does not include pipefitting of screw-type fittings or small valves. DM must amend its procedures to include all covered tasks performed on its pipeline.

Response: Below is an excerpt from the updated Dakota OQ Plan which addresses this inadequacy:

API Task #	ASME B31Q Task #	MEA Task #	OQSG Task #	NCCER Task #	NACE Task #	NACE Cert. Levels	Covered Task Description	Oil, Gas, or Both	Oral Test	Performance Evaluation (JPE)	Max Re-eval Period (Years)	Grace Period	Span of Control	O&M Sect. #	Critical Task (yes/no)
NA	1081	195-3640	CT40	AOCs	40.3	NA	Composite Wrap Installation	Both	Yes	NA	3.0	3 months	1	OQ Plan	No
NA	0821	195-1444	CT44	CTTP-17	NA	NA	Pipe Fitting (Screw Type / Small Valves)	Both	Yes	NA	3.0	3 months	3	OQ Plan	No

4. § 195.505 Qualification program.

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(a) . . .

(h) After December 16, 2004, provide training, as appropriate, to ensure that individuals performing covered tasks have the necessary knowledge and skills to perform the tasks in a manner that ensures the safe operation of pipeline facilities.

DM's procedures are inadequate because their training program contains insufficient detail regarding what, how, when, and where individuals will receive training. DM must amend its procedures to provide detail on its training program.

Response: Below is an excerpt from the updated Dakota Midstream OQ Plan which addresses this inadequacy:

10.2 When Training May Be Required

Some examples of individuals requiring training are:

- New hires
- Individuals taking on new tasks (transferred or promoted)
- Individuals who fail one or more evaluations
- Correction of individual performance problems (e.g., performance contributing to an accident/incident, etc.)
- MOC procedures (changes to process, procedures, equipment, etc.)
- Injury or physical limitation
- Procedure seldom or rarely used by the individual
- Observation of an error or incorrect procedure
- Evidence of an error or incorrect procedure
- Accident/incident near miss
- Absenteeism
- Statement from the employee
- Received complaints (from the public or employees)
- Drug and/or alcohol abuse per company policy
- Changes to the program or covered task

Refresher training may also be considered for individuals who require post incident or for cause re-evaluation. Program evaluations and/or self-audits may also generate a need for training.

This does not mean that every individual who performs a covered task needs to go through a training program before the individual can be re-evaluated. Training itself does not in fact count as evaluation for a task. Attendance records, certificates of completion, etc. from training classes are not evaluation records and cannot be used as the basis for qualifying an individual for any task. Where a training course includes exams (written or oral), observations on-the-job, or in a classroom simulation it is the records of these exams and/or observations that may be counted as evaluations for a covered task as long as they address the knowledge, skills, abilities and AOCs for the task.

For Company employees who have been absent from the workplace for a period of 26 weeks or longer, re-evaluation for those covered tasks will be required before that individual is permitted to perform any of these tasks.

In addition to the potential scenarios outlined in above, training (either individually or in a group setting) for tasks listed in the Covered Task List shall occur at frequent enough intervals that all personnel that require training on a covered task shall have the opportunity to maintain the knowledge, skills, and abilities necessary to ensure the safe operation of pipeline facilities and to pass the evaluations for a covered task.

Training for covered tasks shall be provided by either qualified Dakota personnel or by a 3rd party consultant who is qualified to train Operator personnel in the required covered tasks. Training material used shall be appropriate for the covered task in question and shall adhere to all relevant industry standards and practices. Training can take place in either a classroom or simulation setting, or via on-the-job observation and testing.

Inadequacy

5. § 195.505 Qualification program.

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(a) . . .

(f) Communicate changes that affect covered tasks to individuals performing those covered tasks; and

DM's procedures are inadequate because their OQ program contains insufficient detail regarding how the operator will:

- Ensure the qualification process is communicated to the contractors performing covered tasks on behalf of the operator.
- Ensure that the process for a non-qualified person to perform a covered task is communicated to contractor personnel.
- Ensure the process for disqualification and requalification is communicated to the contractor.
- Ensure that the process for communicating any changes to the OQ plan that the contractor needs to be aware of are presented to the contractor.

Specifically, DM must amend its procedures to provide details on its communications with contractors regarding its OQ program requirements to state the what, who, how, when, and where of the process.

Response: Below is an excerpt from the updated Dakota Midstream OQ Plan which addresses this inadequacy:

9.1 General

The Company may use contractors/subcontractors to perform covered tasks on their pipeline system. The operator qualification regulation requires that **any individual who performs a covered task on the Company system be qualified for that task according to Company operator qualification plan**. When the Company uses contractors/subcontractors for any covered task, the Company is responsible to ensure that each contractor/subcontractor employee who performs one or more covered tasks on the Company system is qualified for that task or is being directed and observed by a qualified individual.

Note, regardless of qualification method selected, **if the person is unknown to the person verifying the contractors qualification record**, the Company shall require proper identification before the contractor/subcontractor is permitted to perform a covered task. **This verification can be completed in the office prior to the work beginning, or in the field at the job site.** Proper

ID shall include a photo ID. For example, driver's license or ISNetworld photo would be acceptable ID methods.

In addition to the general requirements listed above, it is the responsibility of the operator to ensure that the details of the operator's OQ program are communicated to the contractor/subcontractor. Chief among these details are:

- Ensuring that the operator's qualification process is communicated to the contractor performing the covered task on behalf of the operator
- Ensuring that the process for non-qualified personnel to perform a covered task is communicated to contractor personnel
- Ensuring that the process for disqualification/requalification is communicated to the contractor personnel
- Ensuring that the process for communicating any changes in the OQ plan is communicated to the contractor

Further, it is recommended that the contractor be provided with a copy of the operator's OQ plan so that they can familiarize themselves with all aspects of the operator's OQ requirements and processes.

Here are four methods the Company will use in handling contractor/subcontractor qualification:

1. Evaluate the contractor/subcontractor individuals using Company evaluations.
2. Allow the contractor/subcontractor to evaluate its personnel using either the Company evaluations for the tasks or the contractor/subcontractor's evaluations for the tasks.

In the latter case, the Company will obtain copies of the contractor/subcontractor's evaluations and ensure they address the same knowledge, skills, abilities and AOCs as the Company evaluations for the same tasks. The Company will ensure the evaluations are documented, and that observation evaluations include checklists indicating what is observed. The Company will list these evaluations in the OQ Plan as evaluations you accept for these tasks. See Appendix A.

3. The contractor/subcontractor may be evaluated by a third party (e.g. NACE, NCCR, etc.). The Company will contact the third party, obtain copies of the evaluations and verify that they address the same knowledge, skills, abilities and AOCs as your evaluations for the same tasks. The Company will ensure the evaluations are documented, e.g. observation evaluations include checklists indicating what is observed. The Company will list these evaluations in the OQ Plan as evaluations you accept for these tasks.

4. Do not qualify contractor/subcontractor personnel; have one of your qualified company individuals or qualified contractor/subcontractor personnel observe and direct nonqualified contractor/subcontractor personnel. Note, direct observation is not allowed on critical tasks which have a span-of-control of zero (0).

Qualification methods not pre-approved and listed in Appendix A must be reviewed and approved before work begins on a covered task. Typically, pre-approved methods and materials include national standards, industry standards, or manufacturer's training. Examples include NACE, NCCER, MEA, etc. See Appendix A for a full list of pre-approved qualification methods.

In addition to the excerpts provided above, I have also included a current electronic version of our O&M Manual and Operator Qualification Plan so that the required changes can be reviewed in situ. Please don't hesitate to reach out if you need clarification or further information on any of these changes.

Best Regards,



Kristopher C. Coe, P.E.

Project Manager

Dakota Midstream