U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

901 Locust Street, Suite 480
Kansas City, MO 64106

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: hnpefanis@paalp.com and khcunningham@paalp.com

March 4, 2022

Mr. Harry Pefanis
President/CEO
Plains Pipeline, LP
333 Clay Street, Suite 1600
Houston, TX 77002

CPF 3-2022-031-NOA

Dear Mr. Pefanis:

From June 14 to July 20, 2021, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, remotely inspected Plaines Pipeline, LP (Plains)'s procedures and records for Control Room Management (CRM) in Midland, Texas.

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

1. § 195.446 Control room management.

(a) ***General.*** **This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section. The procedures required by this section must be integrated, as appropriate, with the operator's written procedures required by § 195.402. An operator must develop the procedures no later than August 1, 2011, and must implement the procedures according to the following schedule. The procedures required by paragraphs (b), (c)(5), (d)(2) and (d)(3), (f) and (g) of this section must be implemented no later than October 1, 2011. The procedures required**

by paragraphs (c)(1) through (4), (d)(1), (d)(4), and (e) must be implemented no later than August 1, 2012. The training procedures required by paragraph (h) must be implemented no later than August 1, 2012, except that any training required by another paragraph of this section must be implemented no later than the deadline for that paragraph.

Plain's CRM procedure was inadequate because it did not provide a reference to the decision tree used to determine whether assets were considered control rooms. During the inspection, the operator explained how they used a decision tree to evaluate facilities for control room determination. The decision tree was completed and when locations were found that met the criteria of a control room, those facilities were brought into the designated control room for remote monitoring and control. The procedure also did not identify when this decision tree should be used. Therefore, the procedure must be amended.

2. § 195.446 Control room management.

(a) . . .

(c) *Provide adequate information*. Each operator must provide its controllers with the information, tools, processes and procedures necessary for the controllers to carry out the roles and responsibilities the operator has defined by performing each of the following:

(1) Implement API RP 1165 (incorporated by reference, *see* §195.3) whenever a SCADA system is added, expanded or replaced, unless the operator demonstrates that certain provisions of API RP 1165 are not practical for the SAD system used.

Plains CRM Plan was inadequate because CRM Plan Section 3.6.2 merely restated §195.446(c)(1) and did not provide definitions or examples for addition, expansion or replacement of SCADA systems. There was a link in the SCADA Procedure Manual that led to a SCADA MOC Form 015. This form provided an audit check list to help verify API 1165 compliance when new points were added, or when assets were relocated and required SCADA design for new points or new screens. The CRM Plan did not reference the SCADA Procedure Manual.

The procedure needs to be amended to define additions, expansions and replacement definitions, and provide examples when for addition, expansion or replacement of SCADA systems is required.

3. § 195.446 Control room management.

(a) . . .

(b) *Provide adequate information*. Each operator must provide its controllers with the information, tools, processes and procedures necessary for the controllers to carry out the roles and responsibilities the operator has defined by performing each of the following:

(1) . . .

(2) Conduct a point-to-point verification between SCADA displays and related field equipment when field equipment is added or moved and when other changes that affect pipeline safety are made to field equipment or SCADA displays.

Plains Pipeline procedure for Point to Point was not adequate because it lacked thoroughness of the point-to-point verification and documentation, as required by §195.446(c)(2). CRM Section 3.6.3 Point to Point stated, in 3.6.3.7, "[T]he process shall verify the data value, information, and any control or alarm functions and sequence to/from the point are accurately represented on all SCADA displays provided to Controllers by testing a representative sampling of impacted displays." This is not an acceptable practice for new or moved facilities. Points and alarm presentations must be verified on all screens where a point is presented. Documentation needs to provide verification of all screens reviewed. Additionally, the point-to-point test documentation requirements in Sections 3.6.3.11.1 - 3.6.3.11.7 did not include verification of the set point and alarm descriptions. It was identified, during the review of records, that while Plains did not document these elements of point-to-point testing, they were completed, as stated by a Plains representative, during the inspection, "[I]f the alarms didn't come in right, or points were reading different it would not be a point to point per procedure." There is no reference to the form that is used for P2P.

The SCADA Procedure Manual, Section 6, is less detailed than the CRM Plan. Section 6.2 provides different requirements for documentation than the CRM Plan. It also did not reference the form used for point to point verifications.

The procedure needs to be amended to provide guidance for new or moved points to complete a thorough point-to-point verification. The procedure needs to include, at a minimum, verification of values between field equipment and SCADA, correct alarm set points and alarm descriptions and alarm priorities, correct presentation on all relative screens, verification of SCADA tag to field device and location, the individual completing the verification, and the date completed.

4. § 195.446 Control room management.

(a) . . .

(e) ***Alarm Management*****. Each operator using a SCADA system must have a written alarm management plan to provide for effective controller response to alarms. An operator's plan must include provisions to:**

(1) . . .

(4) Review the alarm management plan required by this paragraph at least once each calendar yar, but at intervals not exceeding 15 months, to determine the effectiveness of the plan.

Plains CRM Procedure Section 6.6.10 is inadequate because it did not provide metrics for determining if the Alarm Management Plan is effective, per § 195.446(e)(4). Section 6.6.10.3.1 – 6.6.10.3.7 of the procedure provides performance measures for the annual Alarm Management Plan (AMP) Review. While the measures were reasonable, the procedure did not provide metrics for determination if the performance measures were meeting the operator's expectation for an effective AMP. The procedure did include a review of the alarm system KPI performance reports. KPI metrics were adequately defined in Section 6.6.6 of the procedure.

The procedure needs to be amended to include metrics for the performance measures identified in the procedure to determine effectiveness of the AMP.

5. § 195.446 Control room management.

(a) . . .

(h) *Training.* Each operator must establish a controller training program and review the training program content to identify potential improvements at least once each calendar year but at intervals not to exceed 15 months. An operator's program must provide for training each controller to carry out the roles and responsibilities defined by the operator. In addition, the training program must include the following element:

(1) Responding to abnormal operating conditions likely to occur simultaneously or in sequence.

Plains CRM Plan was inadequate because it did not identify abnormal conditions that could occur in sequence or simultaneously and provide training on those conditions, as required by § 195.446(h)(1). During the inspection, the operator stated they "[O]nly train on single source abnormal conditions." However, Section 9.4.2.4 of the CRM Manual states, "Preparing the Controller to recognize and respond to AOCs, as defined in the Operational and Maintenance (O&M) Manuals and Section 8 of this manual, including those likely to occur simultaneously or in sequence." General Procedure 500-12 Appendix B provided a list of conditions related to the shut down and restart authority table. The operator presented, at the inspection, a power point delivered at the 4th quarter safety meeting in November 2020, Abnormal & Emergency Conditions, with a section called "how do you know" using a variety of abnormal operations to look for given the different pipeline conditions.

The procedure needs to be amended to identify abnormal operations that could present in series or sequence and include these operations in the training content.[1]

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 Compliance 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

[1] OPS is aware that General Procedure 500-12 is subject to Paragraph 23 of the *United States of America and the People of the State of California v.Plains All American Pipeline, L.P. and Plains Pipeline, L.P.*Consent Decree. Since OPS is requesting amendment of this procedure pursuant to this Notice, Plains is not required to submit written notice to PHMSA of the material change pursuant to Para. 23(b).

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 30 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 Plains Pipeline, LP 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, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 3-2022-031-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

GREGORY ALAN OCHS
Digitally signed by GREGORY ALAN OCHS
Date: 2022.03.04 16:15:12 -06'00'

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

cc: Kevin Cunningham, Director, HSE Compliance Programs khcunningham@paalp.com

Enclosure: Response Options for Pipeline Operators in Enforcement Proceedings