

Wednesday, April 24, 2024

Via E-mail : Gregory.Ochs@dot.gov

Mr. Gregory Ochs
Director, Central Region, Office of Pipeline Safety
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
901 Locust Street, Suite 480 Kansas City, MO 64106

RE: CPF 3-2024-019-NOPV Written Response.

Dear Mr. Ochs:

Pursuant to 49 C.F.R. § 190.208(a) & (b), Grayson Mill Operating, LLC (“Grayson”) respectfully submits a Written Response to Notice of Probable Violation and Proposed Compliance Order issued on March 4, 2024 (the “Notice”). On March 11, 2024, the Office of Pipeline Safety (“OPS”) approved an extension of time until May 3, 2024 to respond to the Notice. Therefore, this response is timely.

From April 25 through May 27, 2022, a representative of OPS, pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected Grayson’s Missouri Trunkline in North Dakota by virtual and onsite inspection.

As a result of the inspection, it is alleged that Grayson has committed a violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The item inspected and the violation alleged is:

1. CFR § 195.563 Which pipelines must have cathodic protection?

(a) Each buried or submerged pipeline that is constructed, relocated, replaced, or otherwise changed after the applicable date in § 195.401(c) must have cathodic protection. The cathodic protection must be in operation not later than

1 year after the pipeline is constructed, relocated, replaced, or otherwise changed, as applicable.

The Notice states that at the time of the inspection, Grayson did not have cathodic protection installed on any of its 10 one-thousand-barrel capacity breakout tanks located at the Williams Booster Station (collectively, the “Break Out Tanks”). The Breakout Tanks were constructed in 2017 and did not have cathodic protection installed within one year of construction. By failing to provide cathodic protection on its breakout tanks, Grayson failed to follow the requirements of CFR § 195.563(a).

Grayson Response

Grayson does not contest the Notice. Grayson will install cathodic protection on the Breakout Tanks.

The Breakout Tanks were constructed in 2017 by the previous operator Equinor Pipelines, LLC, f/k/a Statoil, and are interconnected through piping and a manifold system and are set on individual concrete pads which rest on a liner inside a containment. Grayson will drain, clean, disconnect and remove each tank and concrete pad. Then excavate through the liner and install a tank ring with cathodic protection and reset and connect each tank. To reduce the impact on production and operations this will be done one tank at a time. Due to the extensive scope of the work involved and the difficulties of winter construction in North Dakota, Grayson respectfully requests an extension of the deadline proposed in the Notice up to and including June 30, 2025.

Risk Assessment

The Breakout Tanks were constructed in 2017 with nominal 0.250 wall thickness bottom plates. In November 2022 Grayson performed an API 653 Out of Service Inspection on three of the ten tanks. An MFL inspection was performed on the bottom plates and 10 UT readings taken. The average wall thickness across the three tanks was 0.248 with no MFL indications of pitting.

Calculated Corrosion Rate; 0.0004 inches per year.

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Grayson respectfully submits that an extension to comply with the Notice deadline would not add significant risk.

Kerry Morgan

Kerry Morgan
DOT/PHMSA Specialist

