

HARVEST
PIPELINE

March 15, 2011

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Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration
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Subject: Response to Notice of Amendment
CPF 4-2011-5005M

Harvest Pipeline Company is dedicated to maintaining a safe working environment for our employees, contractors and the public living adjacent to our pipeline assets.

This letter is in response to the Notice of Amendment received on February 15, 2011 regarding the PHMSA inspection of the Southwest Pass 24 Oil Terminal, conducted during the months of August through October 2010.

Since PHMSA deemed the updated materials provided during the audit adequate in addressing items 4-11 of the Notice of Amendment, this response only addresses items 1-3.

- 1. Harvest welding procedures were found to be inadequate. The procedures must be amended to ensure that the operator incorporates how the welding process is actually being performed and that all regulatory requirements are being met.**

Harvest reviewed the welding procedures and is currently updating the procedures to incorporate how the welding process is actually performed and that all regulatory requirements are being met.

- 2. Harvest welding procedures were found to be inadequate for weld inspection and testing. This procedure must be amended to reference the proper sections of API 1104 actually being used by Harvest.**

Harvest reviewed the welding procedures and is currently updating the procedures to reference the proper and correct version and sections of API 1104.

- 3. Harvest NDT testing procedures were found to be inadequate for NDT testing and qualification of personnel. Procedure must be amended to specify which section of ASME API 1104 or any other recognized national certification program will be acceptable and used by Harvest.**

Harvest reviewed the NDT testing procedures and is currently updating the procedures to specify the section of API 1104 or other recognized national certification program that is acceptable and used by Harvest for qualification of personnel.

Harvest is currently preparing for construction projects and are developing and using welding and NDT procedures specific for each project. Harvest is updating the procedures in order to standardize the process and provide consistency across the various projects and company.

Harvest believes these modifications will allow the welding and NDT procedures to be found adequate, however, requests an extension of three months to complete the improvements.

Please contact me at (713) 289-2688 or via email at trbrown@hilcorp.com if you have any questions or require additional information.

Regards,



Troy S. Brown
Regulatory Compliance Manager