



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

8701 South Gessner, Suite 1110
Houston, TX 77074

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 31, 2015

Mr. Todd Denton
President
Phillips 66 Pipeline LLC
3010 Briarpark Drive
Houston, TX 77042

CPF 4-2015-5007W

Dear Mr. Denton:

On February 9-12, 2015, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your construction on the Triple C Project in Pasadena, TX.

As a result of the inspection, it appears that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation(s) are:

1. **§195.228 Welds and welding inspection: Standards of acceptability.**
 - (a) **Each weld and welding must be inspected to insure compliance with the requirements of this subpart. Visual inspection must be supplemented by nondestructive testing.**

Phillips 66 failed to visually inspect welds made during construction of the Triple C project as required by §195.228. During the PHMSA inspection, Phillips 66 was unable to produce any

records or other documentation of visual inspection of the welds showing that they were found to have met the requirements of Section 9 of API 1104 and the Phillips 66 welding procedures.

2. §195.214 Welding procedures

(a) Welding must be performed by a qualified welder in accordance with welding procedures qualified under Section 5 of API Std 1104 or Section IX of the ASME Boiler and Pressure Vessel Code (ASME BPVC) (incorporated by reference, see §195.3). The quality of the test welds used to qualify the welding procedure shall be determined by destructive testing.

(b) Each welding procedure must be recorded in detail, including the results of the qualifying tests. This record must be retained and followed whenever the procedure is used.

Phillips 66 failed to confirm that welds made during construction of the Triple C project were done according to the qualified welding procedure (WPS# P1D). During the PHMSA inspection, Phillips 66 was unable to produce any records or other documentation showing that the welds were confirmed to have been made according to the essential variables and within the parameters of the qualified welding procedure (i.e., within the ranges of voltage, amperage, travel speed, appropriate number of passes, and using the specified electrodes, etc.). The nondestructive examination (NDE) employed by Phillips 66 on the construction project can determine if the welders introduced a defect into the weld that would cause the weld to be rejected by the criteria in API 1104, Section 9. However, the NDE by itself cannot determine that the weld was made within the parameters of the qualified welding procedure to ensure that the weld has the same required strength and mechanical properties as the qualifying weld.

3. §195.202 Compliance with specifications or standards.

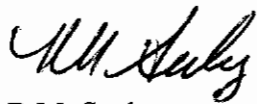
Each pipeline system must be constructed in accordance with comprehensive written specifications or standards that are consistent with the requirements of this part.

Phillips 66 failed to follow its specification, Welding Procedures and Welder Qualification, P66PL-MPR-4401 during the construction of the Triple C project. During the PHMSA inspection, Phillips 66 was unable to produce any records or other documentation showing that the welding was performed according to the requirements of P66PL-MPR-4401, Section 8, Production Welding. Paragraph 8.1.1 states, "Each weld must be thoroughly inspected to identify any defect. All defects in the root pass must be repaired before welding is resumed because defects in the root pass can propagate through the entire finished weld." Section 8 effectively details nineteen additional items associated with the root bead pass, interpass welds, and the completed weld that must be inspected. Phillips 66 could not provide any records or documentation that these welding inspections had been performed.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item(s) identified in this letter. Failure to do so will result in Phillips 66 being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 4-2015-5007W**. 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 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).

Sincerely,

A handwritten signature in cursive script, appearing to read "R.M. Seeley".

R.M. Seeley
Director, SW Region
Pipeline and Hazardous Materials Safety Administration