



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

8701 S. Gessner, Suite 630
Houston, TX 77074

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 13, 2018

Hunter Battle
Vice President
Targa NGL Pipeline Company
1000 Louisiana St., Suite 4300
Houston, Texas 77002

CPF No. 4-2018-5024M

Dear Mr. Battle:

On June 13- 30, 2016, representatives of the Office of Pipeline Safety (OPS), Southwest Region, pursuant to Chapter 601 of 49 United States Code, conducted a pipeline safety inspection of Targa NGL Pipeline (Targa), facilities and records pertaining to the Product Pipeline system with pipelines in Louisiana and Texas.

As a result of the review of the Targa operations, maintenance, and emergency response manual, the requirements for which are set forth in Title 49 Code of Federal Regulations, Part 195, the following inadequate procedures are noted:

1. § 195.446 (c)(4) Control room management.

***(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:**

(4) Test any backup SCADA systems at least once each calendar year, but at intervals not to exceed 15 months.

Targa's process and procedure documented in the Control Room Management Plan, Hackberry Storage Facility, backup SCADA system, page 12, is inadequate. The process and procedure lack specifics in reference as to how the transition from normal to emergency mode will take place, who will be responsible for implementing the emergency mode, how the testing of the backup SCADA system will be performed, and how pipeline operation will be returned to the primary SCADA control.

Targa must amend current process and procedures, these process and procedures should be kept or referenced in the Control Center Manual of operations as required by 195.446(c)(4).

2. §195.452 Pipeline integrity management in high consequence areas.

(e) What are the risk factors for establishing an assessment schedule (for both the baseline and continual integrity assessments)? (1) An operator must establish an integrity assessment schedule that prioritizes pipeline segments for assessment (see paragraphs (d)(1) and (j)(3) of this section). An operator must base the assessment schedule on all risk factors that reflect the risk conditions on the pipeline segment. The factors an operator must consider include, but are not limited to:

- (i) Results of the previous integrity assessment, defect type and size that the assessment method can detect, and defect growth rate;**
- (ii) Pipe size, material, manufacturing information, coating type and condition, and seam type;**
- (iii) Leak history, repair history and cathodic protection history;**
- (iv) Product transported;**
- (v) Operating stress level;**
- (vi) Existing or projected activities in the area;**
- (vii) Local environmental factors that could affect the pipeline (e.g., corrosivity of soil, subsidence, climatic);**
- (viii) Geo-technical hazards;**
- (ix) Physical support of the segment such as by a cable suspension bridge.**

(2) Appendix C of this part provides further guidance on risk factors.

Targa's procedure in Section 5.0 Risk Analysis, 5.2 Hazard /Threat Identification is inadequate as it does not allow for a technical justification for not considering a given risk factor, specifically the threat of SCC to its pipeline system.

PHMSA inspectors requested specific procedures that discussed technical justification for Targa not considering the threat of SCC to its pipeline system. Targa provided PHMSA inspectors a copy of the SCC criteria that is utilized to either consider or not consider SCC as a risk factor.

Targa must amend current process and procedures, in Section 5.2 of the Integrity Management Program for Liquid Transmission Pipelines by adding language that allows for a technical justification for not considering risk factors to ensure compliance with 195.452(e).

3. §195.452 Pipeline integrity management in high consequence areas.

(j) *What is a continual process of evaluation and assessment to maintain a pipeline's integrity?*

(2) Evaluation. An operator must conduct a periodic evaluation as frequently as needed to assure pipeline integrity. An operator must base the frequency of evaluation on risk factors specific to its pipeline, including the factors specified in paragraph (e) of this section. The evaluation must consider the results of the baseline and periodic integrity assessments, information analysis (paragraph (g) of this section), and decisions about remediation, and preventive and mitigative actions (paragraphs (h) and (i) of this section).

Targa's procedure in Section 7.0 Continual Process of Evaluation and Assessment, 7.1 Periodic Evaluation, is inadequate because it does not set a specific frequency of when Periodic Evaluations will be performed.

On July 9, 2016, Targa revised its Integrity Management program which included a revision to Section 7.0 Continual Process of Evaluation and Assessment, 7.1 Periodic Evaluation by adding language that allows for Periodic Evaluations be performed annually.

Response to this Notice

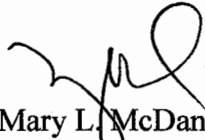
This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit 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 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). 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 a Final Order.

If, after opportunity for a hearing, 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. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 90 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 (not mandated) that Targa NGL Pipeline Company maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Mary L. McDaniel, P.E., Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF No. 4-2018-5024M** and, for each document you submit, please provide a copy in electronic format whenever possible.

In regards to Item 3 listed above, Targa NGL Pipeline Company provided it's revised procedures via email soon after the inspection. This procedure submittal was reviewed and deemed adequate. No further action is required in response to this Notice and this case is now closed. Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mary L. McDaniel', is positioned above the typed name.

Mary L. McDaniel, P.E.
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*