



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

8701 S. Gessner, Suite 630
Houston TX 77074

NOTICE OF AMENDMENT

ELECTRONIC MAIL - RETURN RECEIPT REQUESTED

December 22, 2021

George Green
Group Vice President and General Counsel
DCP Midstream
370 17th Street, Suite 2500
Denver, Colorado 80202

CPF 4-2021-070-NOA

Dear Mr. Green:

From April 12, 2021 through April 14, 2021, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code, inspected DCP Midstream's (DCP) Integrity Management Procedures in Houston, Texas.

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

1. § 195.402 Procedural manual for operations, maintenance, and emergencies

(a) . . .

(c) *Maintenance and normal operations.* The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:

(1) . . .

(3) Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.

§ 195.416 Pipeline assessments.

(a) *Scope.* This section applies to onshore line pipe that can accommodate inspection by means of in-line inspection tools and is not subject to the integrity management requirements in § 195.452.

DCP's *Integrity Manual, Integrity Procedures, IP-002 Integrity Assessment Method Selection Guide* (December 2020) is inadequate because it does not address the assessment of pipelines to be performed on those lines not currently subject to the requirements of § 195.452, as required by § 195.416. DCP's written procedures for integrity assessment do not address how the proper assessment method for those sections of line pipe that are not subject to the requirements of § 195.452 will be determined, how DCP will handle other technology, data analysis, or when discovery of conditions occurs.

DCP must amend its procedures to address assessments of pipelines to be performed that are not subject to the requirements of § 195.452 in accordance with the requirements of § 195.416.

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

(a) ...

(f) *What are the elements of an integrity management program?* An integrity management program begins with the initial framework. An operator must continually change the program to reflect operating experience, conclusions drawn from results of the integrity assessments, and other maintenance and surveillance data, and evaluation of consequences of a failure on the high consequence area. An operator must include, at minimum, each of the following elements in its written integrity management program:

(1) ...

(5) A continual process of assessment and evaluation to maintain a pipeline's integrity (see paragraph (j) of this section);

(6) ...

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

(1) ...

(5) *Assessment methods.* An operator must assess the integrity of the line pipe by any of the following methods. The methods an operator selects to assess low frequency electric resistance welded pipe or lap welded pipe susceptible to longitudinal seam failure must be capable of assessing seam integrity and of detecting corrosion and deformation anomalies.

(i) In-Line Inspection tool or tools capable of detecting corrosion and deformation anomalies, including dents, gouges, and grooves. For pipeline segments that are susceptible to cracks (pipe body and weld seams), an operator must use an in-line inspection tool or tools capable of detecting crack anomalies. When performing an assessment using an In-Line Inspection tool, an operator must comply with § 195.591;

DCP's *Integrity Manual, Integrity Management Plan, Hazardous Liquids, Section 5 - Continual Assessment Process* (February 2021) is inadequate because it does not require the operator to use the proper in-line inspection tool (ILI) or tools capable of detecting the suspected threat anomalies. Specifically, for crack detection, DCP's *Integrity Manual, Integrity Management Plan, Hazardous Liquids, Section 5 - Continual Assessment Process, 5.4.4 Integrity Assessment Method Selection* states, "If there is a suspicion that the segment is susceptible to cracks or ILI data has identified the presence of crack-like features, the reassessment method selection should address cracks." Using the term "should," does not mandate operator personnel to use the correct ILI tool or tools capable of detecting crack anomalies.

DCP must revise its process to require the appropriate ILI tool or reassessment method to be used when pipeline segments are susceptible to cracks.

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 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 (not mandated) that DCP Midstream 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, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 4-2021-070-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

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