



By Electronic Mail

November 18, 2022

Mr. Bryan Lethcoe
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration
US Department of Transportation
8701 South Gessner, Suite 630
Houston, Texas 77074

**Re: CPF 4-2022-040-NOPV
Notice of Probable Violation, Proposed Civil Penalty and Proposed Compliance Order**

Dear Mr. Lethcoe:

Pursuant to 49 C.F.R. § 190.208, Permian Express Partners (PEP or Company) submits this written response to a Notice of Probable Violation (NOPV), Proposed Civil Penalty (PCP) and Proposed Compliance Order (PCO), (collectively referred to as the “Notice”) issued on October 11, 2022, by the Pipeline and Hazardous Materials Safety Administration (PHMSA) and received by PEP on October 13, 2022. The PHMSA Notice alleges six (6) violations, three (3) of which were issued as Warning Items, includes a PCP in the amount of \$22,800, and includes a PCO requiring remedial actions to ensure compliance with the pipeline safety regulations.

On October 17, 2022, PEP requested PHMSA provide the Case File and Civil Penalty Worksheet as allowed by § 190.208(c) and § 190.209(b)(2) and Docket No. PHMSA 2016-0101. PHMSA provided these items via electronic mail on October 19, 2022.

By way of background, this Notice was issued following an inspection of the PEP Patoka Pipeline system in Illinois, Missouri, Arkansas, and Texas from March 1, 2021, through November 16, 2021. The Notice provided for 30 days following receipt to submit written comments and the ability to extend this time for good cause. On November 9, 2022, PEP submitted a request for extension of time to respond until November 18, 2022, which PHMSA approved on November 10, 2022; thus, this response is timely. PEP is providing this written response to explain the Company’s position and any efforts to resolve the underlying issues identified in the Notice.

Please note that this submission contains certain confidential business information and confidential security information that is protected from public disclosure under the Freedom of Information Act (FOIA), 5 U.S.C. § 552. Should PHMSA receive a FOIA request for this information, the Agency is required to notify PEP and provide the Company with an adequate opportunity to substantiate its claim, prepare redactions, and/or object, if warranted.



The Company appreciates PHMSA's review and consideration of this submission and shares PHMSA's commitment to pipeline safety, public safety, and pipeline integrity. Should you have any questions or concerns please contact me at (713) 989-7126 or via email at todd.nardozzi@energytransfer.com.

Sincerely,

Todd Nardozzi
Director – Regulatory Compliance

cc: Todd Stamm, SVP Operations
Chris Lason, VP Asset Integrity
Leif Jensen, VP Tech Services
Heidi Slinkard, Chief Counsel

1. **§ 195.52 Immediate notice of certain accidents.**

(a) Notice requirements. At the earliest practicable moment following discovery, of a release of the hazardous liquid or carbon dioxide transported resulting in an event described in § 195.50, but no later than one hour after confirmed discovery, the operator of the system must give notice, in accordance with paragraph (b) of this section of any failure that:

(1) ...

(3) Caused estimated property damage, including cost of clean up and recovery, value of lost product, and damage to the property of the operator or others, or both, exceeding \$50,000;

Permian Express failed to provide notification within one hour after it confirmed discovery of an accident where the estimated property damage exceeded \$50,000. Specifically, on August 25, 2020, at 9:00 a.m. an accident occurred in Beaumont, Texas that Permian Express did not report until September 28, 2020 at 2:51 p.m., one month after the accident occurred.

Permian Express stated in its Accident Report-Hazardous Liquid Pipeline Systems No. 20200259- 34346 (Accident Report) that the complexity of the excavation and repair caused the delayed notification to the National Response Center (NRC). Permian Express stated that it initially estimated property damage to be below \$50,000 and that it was not until it received repair invoices on September 28, 2020 that the repair cost exceeded \$50,000.

Therefore, Permian Express failed to provide notification within one hour after it confirmed discovery of an accident where the estimated property damage exceeded \$50,000 in accordance with § 195.52(a)(3).

PEP Response

PEP understands that per § 190.205, PHMSA does not adjudicate Warning items to determine whether a probable violation occurred, nonetheless, the Company disagrees with this finding. In the matter described above by PHMSA, the Company believes it acted in good faith and with prudence by notifying the National Response Center per the requirement of § 195.52(a)(3) when it first discovered that the estimated property damage related to the accident would exceed \$50,000.

As noted by the Company in the narrative of the Supplemental and Final version of the Accident Report (No. 20200259-34346), the unanticipated complexity of the excavation and repair in addition to the effects on the Beaumont, TX area at the time from Hurricane Laura which further delayed repair efforts, were the primary factors in the total estimated property damage increase from that which was initially calculated following initial discovery. No other more serious factors described in § 195.52¹ necessitating immediate notification were present from initial discovery or throughout the course of the remediation and repair efforts.

¹ Death or personal injury requiring hospitalization, fire or explosion not intentionally set by the operator, pollution of any stream, river, lake, reservoir, or other similar body of water etc., or was in the judgement of the operator significant.

The Pipeline Safety Violation Report notes that the pipeline was restarted on August 28, 2020, and PHMSA appears to have used this fact as supporting evidence that the excavation and repair had been completed at that point so presumably the Company could have been aware of the increased costs and made the notification at that time or prior. The leak was found on auxiliary station piping which was able to be isolated and drained which allowed for the safe restart of the mainline on August 28, 2020, with no further leakage from the auxiliary piping. The repair and remedial measures at the failure site carried on for several weeks after restart and these efforts led to the increase in cost which ultimately led PEP to make the National Response Center notification.

The criterion applicable here is “*at the earliest practicable moment following discovery... but no later than one hour after confirmed discovery...of any failure that... caused estimated property damage...exceeding \$50,000.*” 49 CFR 195.52(a)(3). At the point when the \$50,000 threshold was discovered and known to have been exceeded, the notification was made. Discovery of the release alone is not sufficient to require immediate reporting. It is not until one of the additional criteria in 49 CFR 195.52(a)(1)-(5) is met that a release becomes immediately reportable. That condition was not met in this case until it was discovered and known that the \$50,000 threshold was exceeded² after the costs increased due to the unanticipated complexity described above.

To find PEP in violation of § 195.52(a)(3) based on the circumstances described above and to possibly utilize this Warning in part as the basis for potential future enforcement action is contrary to 195.52 and therefore PEP requests that this Warning Item be withdrawn; or if not withdrawn, then for it to not constitute a finding of violation for any purpose.

2. **§ 195.412 Inspection of rights-of-way and crossings under navigable waters.**
 - (a) **Each operator shall, at intervals not exceeding 3 weeks, but at least 26 times each calendar year, inspect the surface conditions on or adjacent to each pipeline right-of-way. Methods of inspection include walking, driving, flying or other appropriate means of traversing the right-of-way.**

Permian Express failed to conduct right-of way (ROW) inspections capable of observing the surface conditions on or adjacent to each pipeline. Specifically, when PHMSA attempted to inspect the surface conditions on or adjacent to each pipeline ROW, overgrown vegetation and tree cover obscured the surface conditions above Permian Express’s pipeline at four locations. PHMSA’s field inspection observed overgrown vegetation on the ROW at the following locations:

- 34.017659, -93.974907 (Near 2970 AR-26, Nashville, AR 71852)
- By Mile Marker 459 (Near 36.542412, -90.891022, Poynor Township, MO 63935)
- 32.787080, -95.628841 (Alba, TX 75410)
- 35.442511, -91.763723 (Big Creek Township, AR 72121)

² Total Estimated Property Damage was \$60,129

Due to overgrown vegetation and tree cover, an aerial patrol would not have been able to inspect the surface conditions at the listed locations.

Therefore, Permian Express failed to conduct ROW inspections capable of observing the surface conditions on or adjacent to each pipeline in accordance with § 195.412(b).

PEP Response

The Company notes that the PEP Patoka Pipeline has been purged of hazardous liquid and is under a low-pressure, inert nitrogen blanket from Patoka, IL to Corsicana, TX since the acquisition of the asset in 2017. All of the locations identified above by PHMSA are along this purged segment.

PEP patrols its ROW by aerial observation and in compliance with the requirements of § 195.412 and the Company understands the necessity to maintain the ROW in a state that allows for effective aerial patrols. Pipeline patrols are generally completed to aid in identification of potential ROW encroachments, activities along the ROW that could potentially lead to excavation damage to the pipeline and the detection of pipeline leaks.

Protecting this pipeline from excavation damage and detecting encroachments along the ROW are the primary goals of the Company in performing patrols with respect to this pipeline in its current state, however, the threat of hazardous leaks from the pipeline has been mitigated by the pipeline being purged of hazardous liquid. Nonetheless, the Company has actions in progress currently to address the ROW conditions described above.

3. **§ 195.452 Pipeline integrity management in high consequence areas.**
 - (a) ...
 - (i) **What preventive and mitigative measures must an operator take to protect the high consequence area? -**
 - (1) ***General requirements.* An operator must take measures to prevent and mitigate the consequences of a pipeline failure that could affect a high consequence area. These measures include conducting a risk analysis of the pipeline segment to identify additional actions to enhance public safety or environmental protection. Such actions may include, but are not limited to, implementing damage prevention best practices, better monitoring of cathodic protection where corrosion is a concern, establishing shorter inspection intervals, installing EFRDs on the pipeline segment, modifying the systems that monitor pressure and detect leaks, providing additional training to personnel on response procedures, conducting drills with local emergency responders and adopting other management controls.**

Permian Express failed to conduct a risk analysis for its pipeline facilities located in Beaumont and Nederland, Texas in accordance with § 195.452(i)(1) and ETC's written procedures. Section 4.6 "Facility Threat/Risk Analysis and Preventive and Mitigative

Measures” of ETC’s written *Pipeline Integrity Management Plan, ETC Hazardous Liquids IMP_20200415* (IMP) (Revision No. 3, Revision Date: 4/15/2020), requires a facility risk analysis (HAZOP) and mitigative study to be performed for the facilities in Beaumont and Nederland, Texas. Section 4.6 of the IMP states that “[f]or pipeline facility segments such as headers, valves, meters, manifolds, pumps, etc. that meet the definition of pipeline per Section 195.2 and has been determined to affect an HCA and cannot be physically assessed in accordance with IMP Section 5, a facility risk analysis (HAZOP) and preventive and mitigative study shall be performed.” Permian Express admitted it did not conduct the risk analysis required by Section 4.6.

Therefore, Permian Express failed to conduct a risk analysis for its pipeline facilities located in Beaumont and Nederland, Texas in accordance with § 195.452(i)(1).

Proposed Compliance Order

In regard to Item 3 of the Notice pertaining to the failure to following the Pipeline Integrity Management Plan which requires a facility risk analysis (HAZOP) and mitigative study to be performed for the facilities in Beaumont and Nederland, Texas. Permian Express must conduct the HAZOP analysis for the Beaumont and Nederland, Texas facilities within **180** days of receipt of the Final Order.

Permian Express shall provide records showing completion of remedial activities and inspections within the submitted remedial action plan for this item of the Compliance Order within 60 days of the completion of the inspections and remediations carried out following the Final Order.

PEP Response

PEP neither admits nor denies the allegation in the Probable Violation described in Item 3 of the Notice related to failing to conduct a risk analysis for its pipeline facilities located in Beaumont and Nederland, Texas in accordance with § 195.452(i)(1) and Section 5 of the Company hazardous liquid IMP³.

PEP has undertaken measures, without admission, to satisfy the associated PCO item and has completed HAZOP assessments of both facilities. Copies of the resultant reports are included with this response under Attachment A.

These assessments require personnel from multiple disciplines to assemble in order to perform a comprehensive review of the facility including consideration of multiple integrity threat categories that may be present at the facility and arrive at a prioritized list of recommendation(s) to mitigate such threats. These assessments are performed every five (5) years or sooner and within the same year following an assessment on covered segments of line pipe associated with the facility.

³ ETC Hazardous Liquids IMP (October 5, 2022, Revision 7)

The Nederland facility report is dated August 25, 2021 and was completed prior to the close of the PHMSA inspection. There were no recommendations or remedial activities identified in Section 8 “Recommendations” of the report.

The Beaumont facility report is dated October 26, 2022. There was one (1) recommendation identified in Section 8 “Recommendations” of the report. This recommendation is a “Priority 3” which indicates that it should be scheduled to be completed between the time the project is approved and the next scheduled reassessment.

The next reassessment of the associated covered segments of line pipe are as follows:

- Groveton to Beaumont 20-inch – March 5, 2023
- Beaumont to Nederland 16-inch – February 27, 2023

Due to these scheduled assessments, the facility HAZOP assessments for both the Beaumont and Nederland PEP facilities will be completed again in CY 2023.

For the above reasons and information provided in Attachment A, the Company requests that PHMSA consider the HAZOP analysis to be complete for the Beaumont and Nederland, Texas facilities in accordance with the PCO. Subsequent to or in advance of issuance of the Final Order, PEP will complete the action item identified for the Beaumont facility and submit documentation of such to PHMSA within 60 days of the completion of the inspection and any necessary remedial measures.

4. § 195.573 What must I do to monitor external corrosion control?

(a) ...

(e) *Corrective action.* You must correct any identified deficiency in corrosion control as required by § 195.401(b). However, if the deficiency involves a pipeline in an integrity management program under § 195.452, you must correct the deficiency as required by § 195.452(h).

Permian Express failed to correct identified corrosion control deficiencies. Specifically, Permian Express failed to correct three identified corrosion control deficiencies within one calendar year, as required by its procedure.⁴

From December 4, 2019 through November 11, 2020, Permian Express’s records indicated that the pipe-to-soil readings for the cathodic protection readings on the bottom of Tank 355 were below the protection criteria. Permian Express installed a new ground bed for Tank 355 in August 2021 and filed a remedial record on December 9, 2021 indicating that the required

⁴ Section 4.0 of the *Corrosion Control Remedial Action, HLD.40* (Effective Date 4/1/2018) procedure requires the restoration of inadequate cathodic protection levels within one calendar year.

remediation had been completed. However, this remediation did not occur within one year calendar after Permian Express identified the deficiency, as required by its procedure.

In addition, PHMSA’s review of the annual pipe-to-soil readings for cathodic protection identified locations with low readings in calendar years 2018, 2019, and 2020. In total, PHMSA identified thirteen test stations where Permian Express failed to correct the deficiencies. The locations are:

Station ID	2020 CP Reading mV	2019 CP Reading mV	2018 CP Reading mV	Field Verification	Depol
31521 + 60	-0.821	-0.842	No Off reading		
32392 + 80	-0.769	-0.653			
32395 + 44	-0.77	No reading			
19114 + 02.2	-0.812	-0.712	-0.864		
19404 + 10.6	-0.821	-0.811	-0.857		
23263 + 68	-0.81	-0.824	-0.872		
24235 + 20	-0.847	-0.724	-1.108	-0.847	
16626 + 72	-0.585	-0.415	-0.685		-0.627
16674 + 24	-0.615	-0.653	-0.685		-0.697
17123 + 04	-0.752	-0.794	-0.854		
17186 + 40	-0.689	-0.639	-0.593		No Depol-100mv
17260 + 32	-0.814	-0.762	-0.917		
10507 + 30.6	-0.572	-0.498	No readings		

Further, Permian Express failed to remediate depleted groundbeds and deficiencies that are needed to ensure the proper performance of rectifiers on its cathodic protection system within one calendar year. PHMSA’s review of the rectifier inspection records for calendar years 2018, 2019, and 2020 on the Patoka Discharge and Corsicana segments discovered five instances where the rectifier readings had no current output for a period between six months to two years. The deficient rectifier stations are 32841 + 60, 33190 + 08, 0 + 00, 16463 + 04, and 5702 + 92.8. The records show that the groundbeds on stations 16463 + 04 and 5702 + 92.8 were depleted and that Permian Express failed to remediate these deficiencies within one calendar year.

Therefore, Permian Express failed to correct identified corrosion control deficiencies in accordance with § 195.573(e) and its procedures.

Proposed Civil Penalty

\$22,800

Proposed Compliance Order

In regard to Item 4 of the Notice pertaining to the failure to carry out timely remediation to restore cathodic protection levels at various stations, Permian Express must submit a plan to have the cathodic protection remediated at the thirteen identified locations within **90** days of receipt of the Final Order. Permian Express must also submit a plan to remediate any identified corrosion control deficiencies from the calendar year 2021 annual pipe-to-soil survey remediated within **90** days of receipt of the Final Order.

In regard to Item 4 of the Notice pertaining to the failure to remediate conditions preventing identified rectifiers on the system from putting out current to the cathodic protection system, Permian Express must submit a remediation plan for all rectifier systems where there has not been current output following the calendar years 2020 and 2021 inspections completed within **90** days of receipt of the Final Order.

Permian Express shall provide records showing completion of remedial activities and inspections within the submitted remedial action plan for this item of the Compliance Order within 60 days of the completion of the inspections and remediations carried out following the Final Order.

ETC Response

PEP neither admits nor denies the allegations in the Probable Violation described in Item 4 of the Notice related to failing to correct identified corrosion control deficiencies in accordance with § 195.573(e) and Company procedures.

In order to comply with the requirements of § 195.573(e), related Company procedures and satisfy the components of the PCO, the Company will complete the specified actions contained in the PCO and submit a remedial plan to PHMSA within 90 days of receipt of the Final Order and documentation of completion of the actions identified in the plan to PHMSA within 60 days of completion of the inspections and remedial measures or sooner. The Company has begun actions to address the conditions at the locations specified in the Notice which will result in improved cathodic protection potentials that meet the criteria of § 195.571 and NACE SP 0169.

The Company notes that the PEP Patoka Pipeline has been purged of hazardous liquid and is under a low-pressure, inert nitrogen blanket from Patoka, IL to Corsicana, TX since the acquisition of the asset in 2017. All of the thirteen (13) locations identified above by PHMSA are along this purged segment.

The singular purpose of maintaining cathodic protection on a steel pipeline is the prevention of external corrosion that could ultimately lead to pipeline failure and resultant release of hazardous liquid to the environment. The Company is committed to maintaining compliance with the requirements of § 195.573(e) and related Company procedures, however, the threat of hazardous leaks from the pipeline has been mitigated by the pipeline being purged of hazardous liquid.

Should the Patoka to Corsicana segment be considered for a return to active transportation of hazardous liquids in the future, a full assessment of the physical integrity of the pipeline will be completed along with any necessary remedial measures identified by the assessment.

5. **§ 195.583 What must I do to monitor atmospheric corrosion control?**
(a) You must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:

If the pipeline is located:	Then the frequency of inspection is:
Onshore	At least once every 3 calendar years, but with intervals not exceeding 39 months
Offshore	At least once each calendar year, but with intervals not exceeding 15 months

Permian Express failed to inspect its pipeline exposed to the atmosphere for evidence of atmospheric corrosion in accordance with § 195.583(a). Specifically, Permian Express did not perform an atmospheric corrosion inspection on portions of its onshore pipeline system at least once every three calendar years, but with intervals not exceeding 39 months.

Permian Express began operating this pipeline system on February 1, 2017. However, records reviewed for atmospheric corrosion inspection from Station 14245 + 38.7 through Station 24018 + 72 and the Patoka Tank Farm indicated that the atmospheric corrosion inspections were first completed between October 12, 2020, and December 29, 2020, seven months past the maximum 39-month inspection interval.

Therefore, Permian Express failed to inspect its pipeline exposed to the atmosphere for evidence of atmospheric corrosion in accordance with § 195.583(a).

PEP Response

PEP neither admits nor denies the allegation in the Warning Item described in Item 5 of the NOPV related to inspection of certain areas of the pipeline system exposed to the atmosphere for evidence of atmospheric corrosion in accordance with § 195.583(a) and related Company procedures.

The atmospheric corrosion control points identified by PHMSA have been inspected and are currently in compliance with the frequency of inspection identified in § 195.583(a). Further, the Company is in process of including all atmospheric corrosion control points for the Patoka Pipeline in its computerized maintenance management system where maintenance of completed inspection forms are included in an electronic database for 49 C.F.R. Part 195 compliance. To date all points at the Patoka Tank Farm are in this database. The remaining points from Station 14245 + 38.7 through Station 24018 + 72 will be entered in the database by the close of 2022. Inclusion in the computerized maintenance management system will

ensure that the inspection frequencies required by § 195.583(a) and related Company procedures will be met.

6. § 195.589 What corrosion control information do I have to maintain?

(a) ...

(c) You must maintain a record of each analysis, check, demonstration, examination, inspection, investigation, review, survey, and test required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that corrosion requiring control measures does not exist. You must retain these records for at least 5 years, except that records related to Secs. 195.569, 195.573(a) and (b), and 195.579(b)(3) and (c) must be retained for as long as the pipeline remains in service.

Permian Express failed to maintain corrosion control records in accordance with § 195.589(c). Specifically, PHMSA reviewed Permian Express's records and found a record of an atmospheric corrosion inspection carried out on April 3, 2019, on Tank 348 that failed to indicate any items of concern or items requiring follow-up regarding corrosion on the tank shell. The external inspection report carried out for the same tank from February 18, 2014, indicated that there was corrosion on the shell and roof areas.

According to Permian Express, there were no repair records transferred from the previous operator. During the field inspection of Tank 348 on July 21, 2021, corrosion was observed on portions of the tank. Additionally, the April 3, 2019 inspection report identified gouges on the shell that should be monitored for future signs of accelerated corrosion.

Therefore, Permian Express failed to maintain corrosion control records in accordance with § 195.589(c).

Proposed Compliance Order

In regard to Item 6 of the Notice pertaining to identified corrosion on Tank 348 during the inspection, Permian Express must have the tank re-inspected and submit a remedial plan for all identified corrosion following the re-inspection within **180** days of receipt of the Final Order.

Permian Express shall provide records showing completion of remedial activities and inspections within the submitted remedial action plan for this item of the Compliance Order within 60 days of the completion of the inspections and remediations carried out following the Final Order.

PEP Response

PEP disagrees with the PHMSA finding of Probable Violation of § 195.589(c) and the PCO associated with the same. The Probable Violation lacks clarity with respect to what specific records PHMSA is asserting that PEP did not maintain. Rather the agency appears to have determined that the Probable Violation existed due to the fact that PEP indicated no repair records were transferred from the operator of the tank prior to the 2017 acquisition by PEP. This determination presumes that conditions existed such that repairs were necessary to the corrosion conditions on the tank shell and roof which were noted in the February 18, 2014 report (TCI report) and then utilizing this presumption as the basis for the Probable Violation of § 195.589(c) which requires an operator to... *“maintain a record of each analysis, check, demonstration, examination, inspection, investigation, review, survey, and test required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that corrosion requiring control measures does not exist”*. In fact, PEP did comply with the requirements of § 195.589(c) by demonstrating to PHMSA the external tank inspection reports from TCI and the April 3, 2019 (HMT report), respectively. These reports were provided to PHMSA electronically on July 14, 2021 and are not attached to this submission.

The items of PHMSA concern regarding corrosion on the tank shell and roof are noted in Section 1 of the TCI report. Specifically, the report categorizes these as “Items that should be addressed when the tank is next out of Service” (next out of service API 653 inspection of Tank 348 is scheduled for February 23, 2029) or by “Other maintenance planning”. It is important to note that any corrosion identified in the TCI report was not included in the “Items that should be considered immediately” section.

The items of PHMSA concern regarding corrosion on the tank shell and roof are also noted in Section 2.0 “Inspection Summary” of the HMT report. Specifically, items related to the tank shell begin on page 9 of the report and all items were given an “Action Code C” or “Action Code D” by HMT. Items related to the floating roof begin on page 14 of the report and all items were given an “Action Code C” or “Action Code D”.

HMT defines Action Code C and D in the inspection report as follows:

- Code C: No action required - Pertinent findings / suggestions / recommendations only. Monitor for continued deterioration”
- Code D: “Acceptable – In compliance w/ API 650 / 653 standards – No action required”.

Coating failure on the wind girder and stiffener ring are noted in both reports as is the thinning and weathered condition of the external shell coating. Therefore, the PHMSA assertion that the HMT report failed to indicate any items of concern or items requiring follow-up is inaccurate.

Further, the fact that PHMSA observed corrosion during the 2021 inspection does not substantiate that the Probable Violation of § 195.589(c) exists. As discussed above, this corrosion was noted in both inspection reports but at no time was determined to have deteriorated to the degree of being out of compliance with API 650 / 653 standards and requiring immediate remediation in order to continue service.

The Company continues to monitor the corrosion including the gouges on the shell noted in the HMT report and in the PHMSA Probable Violation during Monthly Visual Inspections carried out per Section 7.1 of Company procedure “HLT.05 – Inspection of In-Service Breakout Tanks”. A copy of this procedure is included with this submission under Attachment B. These areas will also be inspected and evaluated again in more detail during the next 5-year In-Service API 653 inspection which is scheduled to take place on April 3, 2024. Any items noted as not in compliance with API 650 / 653 standards and requiring immediate remediation in order to continue service will be addressed post inspection.

For the reasons detailed above, the Company requests that PHMSA withdraw the Probable Violation of § 195.589(c) and the PCO associated with the same.