



Targa Resources Operating, LLC
811 Louisiana, Suite 2100
Houston, TX 77002

November 18, 2024

Mr. Bryan Jeffery Lethcoe
Director Southwest Region
Pipeline and Hazardous Materials Safety Administration
8701 S. Gessner, Suite 630
Houston TX 77074

CPF 4-2024-048-NOPV

Dear Mr. Lethcoe:

Targa Resources Operating, LLC's (Targa) has reviewed the referenced Notice of Probable Violation (NOPV) and Proposed Compliance Order, which identified one proposed compliance order regarding Item 3 and two warnings regarding Items 1 and 2 arising from PHMSA's inspection of the crude oil gathering system on the Fort Berthold Reservation in North Dakota during the months of February 27 to August 23, 2023. In the referenced NOPV, PHMSA required Targa to respond within 30 days of receipt, or by November 21, 2024. Targa hereby acknowledges the findings and agrees to the Proposed Compliance Order. Targa will take the correct actions described in the Proposed Compliance Order. In addition, Targa has the following response to the Items described in the NOPV.

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

(a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.

(b)

(d) Abnormal operation. The manual required by paragraph (a) of this section must include procedures for the following to provide safety when operating design limits have been exceeded:

(1)

(5) Periodically reviewing the response of operator personnel to determine the effectiveness of the procedures controlling abnormal operation and taking corrective action where deficiencies are found.

NOTE:

Targa failed to periodically review the response of operator personnel to determine the effectiveness of the procedures controlling abnormal operations and taking corrective action where deficiencies were found in accordance with § 195.402(a) and its procedures, Targa Hazardous Liquids OM&E – Abnormal Operations (Rev. 12/26/2007). Specifically, Targa failed to provide records demonstrating that the effectiveness reviews required by § 195.402(d)(5) occurred and that corrective actions were taken where deficiencies were found.

Targa's response to Item 1:

In PHMSA's Final Order for CPF 4-2023-044-NOPV, PHMSA approved Targa's procedure titled, "195.402(c)(13) Periodic Review" for periodically reviewing the work done by operator personnel to determine the effectiveness of the procedures. This approved procedure includes various methods to accomplish the procedure effectiveness review and includes a process initiated due to abnormal operations. In addition, the Control Room uses a process for reviewing AO's specifically seen occurring during routine monitoring and controlling via SCADA. These AO's are reviewed and documented within the Pipeline Operational Excellence Management Suite (POEMS) software. Following PHMSA's Final Order CPF 4-2023-044-NOPV approval, Targa has completed a review of the response of operator personnel to determine the effectiveness of the procedures controlling abnormal operation and took corrective action where deficiencies were found for calendar year 2024.

Item 2: § 195.446 Control Room Management

(a)

(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:

(1)

(3) Test and verify an internal communication plan to provide adequate means for manual operation of the pipeline safely, at least once each calendar year, but at intervals not to exceed 15 months;

NOTE:

Targa failed to test and verify an internal communication plan to provide adequate means for manual operation of the pipeline safely, at least once each calendar year, but at intervals not to exceed 15 months in accordance with § 195.446(c)(3) and Targa's Control Room Management Plan, Badlands Pipeline Control Center Internal Communication Plan (08/15/23; Rev. 2.0), section 1. Specifically, Targa failed to provide records demonstrating that a test of the internal communication plan occurred in 2017, 2018, 2019, 2021, and 2022.

Targa's response to Item 2:

Following the completion of PHMSA's inspection of the crude oil gathering system on the Fort Berthold Reservation in North Dakota during the months of February 27 to August 23, 2023, Targa conducted a test of the internal communication plan for calendar year 2023 and 2024. All records of this test are now documented in Targa's Pipeline Operational Excellence Management Suite (POEMS) software.

Item 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)

(4) Emergency Flow Restricting Devices (EFRD). If an operator determines that an EFRD is needed on a pipeline segment that is located in, or which could affect, a high-consequence area (HCA) in the event of a hazardous liquid pipeline release, an operator must install

the EFRD. In making this determination, an operator must, at least,³ evaluate the following factors - the swiftness of leak detection and pipeline shutdown capabilities, the type of commodity carried, the rate of potential leakage, the volume that can be released, topography or pipeline profile, the potential for ignition, proximity to power sources, location of nearest response personnel, specific terrain within the HCA or between the pipeline segment and the HCA it could affect, and benefits expected by reducing the spill size. An RMV installed under this paragraph (i)(4) must meet all of the other applicable requirements in this part, provided that the requirement of this sentence does not apply to gathering lines.

NOTE:

Targa failed to conduct an Emergency Flow Restricting Device (EFRD) analysis to determine if an EFRD is needed on a pipeline segment that is located in, or which could affect, a high consequence area (HCA) in the event of a hazardous liquid pipeline release in accordance with §195.452(i)(4). Specifically, Targa failed to update its existing EFRD analysis or conduct a new analysis after Targa converted an 8-inch gas gathering line that affected an HCA into a regulated hazardous liquid gathering pipeline.

On May 7, 2019, Targa notified PHMSA of a project to convert an 8-inch gas gathering pipeline into a regulated hazardous liquid gathering pipeline. According to a document provided by Targa, "SAC – Roberts Trust to Johnson's High Pressure Line Conversion Project" (Rev. A; June 4, 2019), the converted hazardous liquid gathering pipeline includes segments that are located in or could affect an HCA.

Targa provided its EFRD analysis, "Badlands Crude Oil Pipeline System Leak Detection and EFRD Analysis" (2018). However, Targa failed to include the 8-inch converted hazardous liquid gathering line in this analysis, or conduct a new analysis.

Therefore, Targa failed to conduct an EFRD analysis to determine if an EFRD is needed on a pipeline segment that is located in, or which could affect, an HCA in the event of a hazardous liquid pipeline release in accordance with § 195.452(i)(4).

Targa's response:

Targa is working with a third-party contractor to conduct an updated Emergency Flow Restricting Devices (EFRD) analysis that considers all pipelines that could affect an HCA, including the 8-inch converted hazardous liquid gathering pipeline, to determine if an EFRD is needed on a pipeline segment that is located in, or which could affect, an HCA in the event of a hazardous liquid pipeline release. Targa will provide completed EFRD analysis on or before December 21, 2024.

If you have any questions, please contact me at 713-584-1632.

Regards,

Gregg Johnson

Gregg Johnson



Targa Resources Operating, LLC
811 Louisiana, Suite 2100
Houston, TX 77002

Director of Pipeline Compliance
Targa Resources Corp

cc: John Laeger, VP Senior G&P Operations
Julie Pabon, Senior Counsel, Targa Resources