



March 11, 2026

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

RE: CPF 4-2026-003-NOA

Dear Mr. Lethcoe,

Representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) conducted a pipeline safety inspection of Valero Terminal and Distribution Company and Valero Partners Operating Company LLC (Valero) hazardous liquid pipeline facilities in Arkansas, Mississippi and Tennessee from February 24th through June 30th, 2025.

On February 11, 2026, the Office of Pipeline Safety issued a Notice of Amendment letter identifying apparent inadequacies found within Valero procedures. This letter is in response to the Notice in accordance with 49 CFR 190.208 and describes and provides evidence of corrective actions taken. Valero respectfully requests your review and closure to the matter.

Valero is committed to working with PHMSA to ensure compliance with all pipeline safety regulations, and Valero appreciates the professionalism of the inspectors involved in the inspection. Their comments and suggestions are valuable and appreciated. If you have any questions or need additional information please contact Darin Banther at (210) 345-4171 or Carlos Gauna at (210) 345-5208.

Respectfully Submitted,

A handwritten signature in blue ink that reads 'Fred E. Hampton'.

Fred E. Hampton
Vice President

Enclosure

cc: Mr. Carlos Gauna, Director Pipeline and Facility Integrity, Valero Partners Operating Company, LLC, carlos.gauna@valero.com
Mr. Darin Banther, Manager Regulatory Compliance, Valero Partners Operating Company, LLC, darin.banther@valero.com



Item Number: 1

Requirement: 49 CFR 195.402 Procedural manual for operations, maintenance, and emergencies

Apparent Inadequacy Description:

Valero's written procedures are inadequate to ensure the safe operation of a pipeline facility in accordance with § 195.402(c)(3). Specifically, Valero's written procedure for calculating the remaining strength of corroded pipe, *OME P415* (Rev. 8, 3/1/2025), is inadequate for determining the remaining strength of corroded pipe wall in accordance with § 195.587. Valero's procedure, in Sections 5.2.1 and 5.2.2, provides the formulas to calculate remaining strength from ASME/ANSI B31G and R-STRENG. However, Sections 5.2.1 and 5.2.2 fail to provide an explanation for many of the variables used in the identified formulas, and fails to inform personnel of where they can acquire the variables to be used in the equation. Without definitions for these variables or instructions on how to acquire them, the formulas and procedure are unusable by Valero personnel.

Therefore, PHMSA proposes that Valero must amend its procedure to include explanations for each of the variables in the formulas provided in the procedure.

Response:

Sections 5.2.1 and 5.2.2 of OM&E procedure OME-P415 (Rev. 8.1, dated 3/10/2026) have been updated to define each variable used in the equations for calculating the remaining strength of corroded pipe. Valero respectfully notes that the previous revision, OME-P415 (Rev. 8.0, 3/1/2025), identified in Sections 1.0 and 5.1 the documents and standards incorporated by reference, through which personnel could obtain the definitions of the variable used in these equations:

- ASME/ANSI B31G-1991 "Manual for Determining the Remaining Strength of Corroded Pipelines" 2004, (ASME/ANSI B31G), and
- AGA Pipeline Research Committee, Project PR-3-805 "A Modified Criterion for Evaluating the Remaining Strength of Corroded Pipe", (PR-3-805 (RSTRENG)).