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

12300 W Dakota Ave , Suite 110
Lakewood, CO 80228

NOTICE OF PROBABLE VIOLATION
and
PROPOSED COMPLIANCE ORDER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 15, 2008

Ms Margaret A. Yaege
President
ConocoPhillips Pipelines Inc
600 North Dairy Ashford
Houston, TX 77079

CPF 5-2008-5038

Dear Ms. Yaege

On May 19-23 and June 2-5, 2008, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) and the Washington Utilities and Transportation Commission (WUTC), pursuant to Chapter 601 of 49 United States Code, inspected your Integrity Management Program (IMP) in Ponca City, Oklahoma

As a result of the inspection, it appears that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations The item inspected and the probable violation is

1. **§195.452 Pipeline integrity management in high consequence areas.**

(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:

(4) Criteria for remedial actions to address integrity issues raised by the assessment methods and information analysis (see paragraph (h) of this section);
(h) What actions must an operator take to address integrity issues?
(1) General requirements. An operator must take prompt action to address all anomalous conditions that the operator discovers through the integrity assessment or information analysis. In addressing all conditions, an operator must evaluate all anomalous conditions and remediate those that could reduce a pipeline's integrity. An operator must be able to demonstrate that the remediation of the condition will ensure that the condition is unlikely to pose a threat to the long-term integrity of the pipeline. A reduction in operating pressure cannot exceed 365 days without an operator taking further remedial action to ensure the safety of the pipeline. An operator must comply with Sec. 195.422 when making a repair.
(4) Special requirements for scheduling remediation.
(iii) 180-day conditions. Except for conditions listed in paragraph (h)(4)(i) or (ii) of this section, an operator must schedule evaluation and remediation of the following within 180 days of discovery of the condition:
(A) A dent with a depth greater than 2% of the pipeline's diameter (0.250 inches in depth for a pipeline diameter less than NPS 12) that affects pipe curvature at a girth weld or a longitudinal seam weld.
(B) A dent located on the top of the pipeline (above 4 and 8 o'clock position) with a depth greater than 2% of the pipeline's diameter (0.250 inches in depth for a pipeline diameter less than NPS 12).
(C) A dent located on the bottom of the pipeline with a depth greater than 6% of the pipeline's diameter.
(D) A calculation of the remaining strength of the pipe shows an operating pressure that is less than the current established maximum operating pressure at the location of the anomaly. Suitable remaining strength calculation methods include, but are not limited to, ASME/ANSI B31G (``Manual for Determining the Remaining Strength of Corroded Pipelines'' (1991)) or AGA Pipeline Research Committee Project PR-3-805 (``A Modified Criterion for Evaluating the Remaining Strength of Corroded Pipe'' (December 1989)). These documents are incorporated by reference and are available at the addresses listed in Sec. 195.3.
(E) An area of general corrosion with a predicted metal loss greater than 50% of nominal wall.
(F) Predicted metal loss greater than 50% of nominal wall that is located at a crossing of another pipeline, or is in an area with widespread circumferential corrosion, or is in an area that could affect a girth weld.
(G) A potential crack indication that when excavated is determined to be a crack.
(H) Corrosion of or along a longitudinal seam weld.
(I) A gouge or groove greater than 12.5% of nominal wall.

The CPPL does not apply the known long seam orientation to their in-line inspection (ILI) results when identifying features that must be remediated within 180 days as required by Part §195.452(h)(4)(iii)

Proposed Compliance Order

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to ConocoPhillips Pipe Line Company Please refer to the *Proposed Compliance Order* that is enclosed and made a part of this Notice

Response to this Notice

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

In your correspondence on this matter, please refer to **CPF 5-2008-5038** and for each document you submit, please provide a copy in electronic format whenever possible

Sincerely,

Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

Enclosures *Proposed Compliance Order*
Response Options for Pipeline Operators in Compliance Proceedings

cc PHP-60 Compliance Registry
PHP-500 H Nguyen (#121862)

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to ConocoPhillips Pipe Line Company a Compliance Order incorporating the following remedial requirements to ensure the compliance of ConocoPhillips Pipe Line Company with the pipeline safety regulations.

1 In regard to Item Number 1 of the Notice pertaining to your pipeline systems, the ConocoPhillips Pipe Line Company must review their in-line inspection data and/or records to verify that all the defects have been discovered, categorized, and repaired in accordance Part §195 452(h)(4)(iii)

2 **Within 60 days of issuance of the Final Order, the ConocoPhillips Pipe Line Company must complete the above items, and submit the required documentation and procedures to the Director, Western Region, Pipeline and Hazardous Materials Safety Administration, 12300 West Dakota Avenue, Suite 110, Lakewood, Colorado 80228.**

3 ConocoPhillips Pipe Line Company shall maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Chris Hoidal, Director, Western Region, Pipeline and Hazardous Materials Safety Administration Costs shall be reported in two categories 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure