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

12300 W Dakota Ave , Suite 110
Lakewood, CO 80228

# NOTICE OF AMENDMENT

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

October 15, 2008

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

**CPF 5-2008-5040M**

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), inspected the ConocoPhillips Pipe Line Company's (CPPL) procedures for their Integrity Management Program (IMP) in Ponca City, Oklahoma

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

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

**(e) What are the risk factors for establishing an assessment schedule (for both the baseline and continual integrity assessments)?**
**(1) An operator must establish an integrity assessment schedule that prioritizes pipeline segments for assessment (see paragraphs (d) (1) and (j) (3) of this section). An operator must base the assessment schedule on all risk factors that reflect the risk conditions on the pipeline segment. The factors an operator must consider include, but are not limited to:**
**(i) Results of the previous integrity assessment, defect type and size that the assessment method can detect, and defect growth rate;**
**(ii) Pipe size, material, manufacturing information, coating type and condition, and seam type;**
**(iii) Leak history, repair history and cathodic protection history;**
**(iv) Product transported;**
**(v) Operating stress level;**
**(vi) Existing or projected activities in the area;**
**(vii) Local environmental factors that could affect the pipeline (e.g., corrosivity of soil, subsidence, climatic);**
**(viii) Geo-technical hazards; and (ix) Physical support of the segment such as by a cable suspension bridge.**
**(2) Appendix C of this part provides further guidance on risk factors.**

- **Item 1:** §195 452 (e)(1)&(2)

It appears that pipeline susceptibility to stress corrosion cracking (SCC) was not appropriately considered. CPPL needs to develop a more robust process and screening tool for determining the potential for stress corrosion cracking on each of its pipeline systems

2. **§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:**
**(3) An analysis that integrates all available information about the integrity of the entire pipeline and the consequences of a failure (see paragraph (g) of this section);**
**(g) What is an information analysis? In periodically evaluating the integrity of each pipeline segment (paragraph (j) of this section), an operator must analyze all available information about the integrity of the entire pipeline and the consequences of a failure. This information includes:**

**(1) Information critical to determining the potential for, and preventing, damage due to excavation, including current and planned damage prevention activities, and development or planned development along the pipeline segment;**
**(2) Data gathered through the integrity assessment required under this section;**
**(3) Data gathered in conjunction with other inspections, tests, surveillance and patrols required by this Part, including, corrosion control monitoring and cathodic protection surveys; and**
**(4) Information about how a failure would affect the high consequence area, such as location of the water intake.**

- **Item 2:** §195.452 (f)(3)&(g)

  2.A. The corrosion checklist associated with the AP History and Planning Document does not identify specific portions of the system that represents the highest risk to each high consequence area

  2 B. The Process Hazards Analyses (PHA) performed to identify risks at your facilities are based on consequences only. The analyses did not include an evaluation of the likelihood of a facility release, or how a release could affect nearby high consequence areas (HCAs). In addition, no discussion of how preventative and mitigative measures could reduce risks was included in the PHA.

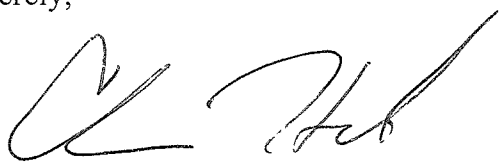
Response to this Notice

This Notice is provided pursuant to 49 U.S C § 60108(a) and 49 C F.R. § 190 237 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

If, after opportunity for a hearing, 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 § 190 237) 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

In correspondence concerning this matter, please refer to **CPF 5-2008-5040M** 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

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

Enclosure. *Response Options for Pipeline Operators in Compliance Proceedings*