

NOTICE OF AMENDMENT

VIA E-MAIL TO MR. MATTHEW ROWLAND

March 4, 2021

Mr. Matthew Rowland
CEO
Third Coast Midstream, LLC
1501 McKinney, Suite 800
Houston, TX 77010

CPF 5-2021-007-NOA

Dear Mr. Rowland:

During the week of July 13 through 17, 2020, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), performed a virtual inspection of the Third Coast Midstream, LLC (Third Coast), control rooms located in Houston and Texas City, Texas. The inspection covered procedures, records, and virtual observations.

Based on the inspection, PHMSA has identified the apparent inadequacies found within Third Coast Midstream's plans or procedures, as described below:

1. § 195.446 - Control room management.

(b) *Roles and responsibilities.* Each operator must define the roles and responsibilities of a controller during normal, abnormal, and emergency operating conditions. To provide for a controller's prompt and appropriate response to operating conditions, an operator must define each of the following:
(1) A controller's authority and responsibility to make decisions and take actions during normal operations;

The Third Coast Control Room Management Procedures do not define the roles and responsibilities of a controller during normal, abnormal, and emergency operating conditions. Specifically, the Procedures do not define a controller's authority and responsibility to make decisions and take actions during normal operations. In CRM-003, Section 3.3, Business Continuity Center, the process does not define which controller must initiate a planned transfer to a backup control room. Additionally, transferring operations to another location must include a formal transfer of responsibilities, including shift-change forms or other documentation, however, the Procedures do not define the responsibilities during such a transfer or include corresponding documentation.

Third Coast must revise their Procedures to define the process controllers must follow when transferring to a backup control room and include in the Procedures a formalized process for transferring responsibilities to another location, including shift-change forms or other documentation.

2. § 195.446 - Control room management.

(b) *Roles and responsibilities.* Each operator must define the roles and responsibilities of a controller during normal, abnormal, and emergency operating conditions. To provide for a controller's prompt and appropriate response to operating conditions, an operator must define each of the following:

(1) ...

(4) A method of recording controller shift-changes and any hand-over of responsibility between controllers.

The Third Coast Control Room Management Procedures do not define the roles and responsibilities of a controller during normal, abnormal, and emergency operating conditions. Specifically, the Procedures do not include a method of recording any hand-over of responsibility between controllers. The CRM-003, Section 3.6.3, Alternate Shift Change Procedure, does not include procedures regarding situations when a controller must leave the control room and before a replacement controller can begin.

The Procedures also do not include the process for contacting a supervisor when a replacement controller is needed. The Procedures require controllers to call other controllers to find a replacement, which may or may not take hours of service into consideration, which could create an hours of service deviation.

Finally, the Procedure does not address the situation of an oncoming controller reporting they are unable to start their shift without finding a replacement controller. The Procedure states that operators will follow internal communication plan if the situation arises; however, the internal communication plan covers only communication outages or SCADA outages and not replacement controllers.

Third Coast must revise their Procedures to address replacement controllers, including when a controller must leave without a replacement, supervisory duties to contact replacements, and situations in which replacement controllers are needed on an urgent basis.

3. § 195.446 - Control room management.

(b) *Roles and responsibilities.* Each operator must define the roles and responsibilities of a controller during normal, abnormal, and emergency operating conditions. To provide for a controller's prompt and appropriate response to operating conditions, an operator must define each of the following:

(1) ...

(5) The roles, responsibilities and qualifications of others who have the authority to direct or supersede the specific technical actions of controllers.

The Third Coast Control Room Management Procedures do not define the roles and responsibilities of a controller during normal, abnormal, and emergency operating conditions. Specifically, the Procedures do not define the roles, responsibilities and qualifications of others who have the authority to direct or supersede the specific technical actions of controllers.

Section 2.6, Authority to Direct or Supersede a Controller's Actions, of CRM-002 states that only supervisors and lead controllers qualified for respective consoles can direct or supersede the technical actions of controllers. However, the Procedure also states "...such individuals would not necessarily need to be broadly qualified as a controller." During the inspection, the operator verbally stated that supervisors are not qualified on both consoles. The Procedure is contradictory and does not address the roles, responsibilities, and qualifications of the supervisors with the authority to direct or supersede the specific technical actions of controllers on each console.

The procedure also fails to clearly state how those with the authority to direct or supersede would implement and document that authority.

Third Coast must revise their Procedures to adequately define the roles, responsibilities, and qualifications for each person with the authority to direct or supersede the technical actions of a controller, and how that authority would be implemented and documented.

4. § 195.446 - Control room management.

(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;

Third Coast does not 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. Specifically, Third Coast did not verify the internal communication plan provides adequate

means for manual operation of the pipeline safety. The communications plan does not identify the critical locations that would require manual operations if a loss of communications occurred. The communication plan, therefore, is not adequate for manual operation of the pipeline safely.

Third Coast must revise the communication plan to include all critical locations that would require manual operation if a loss of communications occurred.

5. § 195.446 - Control room management.

(d) *Fatigue mitigation.* Each operator must implement the following methods to reduce the risk associated with controller fatigue that could inhibit a controller's ability to carry out the roles and responsibilities the operator has defined:

(1) ...

(2) Educate controllers and supervisors in fatigue mitigation strategies and how off-duty activities contribute to fatigue;

Third Coast did not implement methods to reduce the risk associated with controller fatigue that could inhibit a controller's ability to carry out the roles and responsibilities the operator has defined. Specifically, Third Coast did not educate controllers and supervisors in fatigue mitigation strategies and how off-duty activities contribute to fatigue. Third Coast does provide an annual power point presentation to the controllers regarding fatigue mitigation, however, it only discusses the importance of balancing work and home life. Further, nothing in the training manual describes or addresses how off-duty activities contribute to fatigue.

Third Coast must revise their Procedures to clearly provide how controllers will be trained in fatigue mitigation strategies and how off-duty activities contribute to fatigue.

6. § 195.446 - Control room management.

(h) *Training.* Each operator must establish a controller training program and review the training program content to identify potential improvements at least once each calendar year, but at intervals not to exceed 15 months. An operator's program must provide for training each controller to carry out the roles and responsibilities defined by the operator. In addition, the training program must include the following elements;

The training manual describes what appears to be two different final evaluations, one under Section 8.3.4 and another under 8.3.5. While Section 8.3.5 appears to be specifically for Operator Qualifications (OQ), OQ has evaluation requirements that are not satisfied by the procedures described on the form CRM-APP-805. Additionally, Section 8.3.5 mentions a form (CRM-APP-806) that is not found in the training manual.

Section 8.3.5, Final Evaluation, states a discussion is conducted as trainees' final evaluation. This evaluation is not described to ensure that the test is performed effectively and consistently.

Sections that cover Phase I, Phase II, and Phase III fail to identify a pass/fail criterion or to define a successful passing score that must be achieved for the training elements. Section 8.3.5, Final Evaluation, is the only section that includes testing criteria and it appears that the criterion applies only to written or skill exams for operator qualifications. Oral testing is mentioned for Phases I-II; however, the testing criterion is not defined.

Additionally, the review process fails to identify the review interval correctly as it states, “The Training Program Content will be reviewed on an annual basis and documented on CRM-APP-801: Review of Controller Training.” The review of the training program content to identify potential improvements must occur at least once each calendar year, but at intervals not to exceed 15 months.

The items listed in the training program regarding review of the training, along with the identified form used for documenting the review, fails to indicate how the training content is reviewed. Rather, the form asks only if training was performed rather than evaluating the training content. The identified form (CRM-APP-801) also has a different name than the procedure states.

The Training Program, Section 8.5 – Fatigue Management Training directs the reader to CRM-004 – Fatigue Management, Revision 10, Revised August 14, 2019. Within this document, Section 4.8 Fatigue Management Strategies (Education) fails to clearly explain how the operator will perform a review of the fatigue education content. The training program states that the review will consider several items but it’s unclear how these items will be used to determine or gauge the effectiveness of the fatigue education content.

Third Coast must revise their training program to clearly describe the process for training controllers in each phase identified, develop and carry out oral examinations to ensure consistency in training and evaluation, and develop pass/fail criteria for each phase of training. Additionally, Third Coast must revise their procedure for reviewing the training program content (including fatigue mitigation education) to determine effectiveness, metrics used for the review, and identify any improvements necessary or document no improvements were needed.

7. § 195.446 - Control room management.

(h) *Training.* Each operator must establish a controller training program and review the training program content to identify potential improvements at least once each calendar year, but at intervals not to exceed 15 months. An operator's program must provide for training each controller to carry out the roles and responsibilities defined by the operator. In addition, the training program must include the following elements:

(1) Responding to abnormal operating conditions likely to occur simultaneously or in sequence;

Third Coast did not establish a controller training program that includes training regarding responding to abnormal operating conditions likely to occur simultaneously or in sequence. CRM-008, Section 8.2, Program, lists all the training elements that will be covered in the

training program, but it fails to explain the details of how the controllers are trained. Specifically, the training program fails to identify any abnormal operating conditions (AOC) that are likely to occur simultaneously or in sequence or how controllers are trained on abnormal operating conditions that may occur.

Third Coast must revise their training procedures to address how controllers will be trained on abnormal operating conditions that are likely to occur simultaneously or in sequence.

8. § 195.446 - Control room management.

(h) *Training.* Each operator must establish a controller training program and review the training program content to identify potential improvements at least once each calendar year, but at intervals not to exceed 15 months. An operator's program must provide for training each controller to carry out the roles and responsibilities defined by the operator. In addition, the training program must include the following elements:

(1) ...

(3) Training controllers on their responsibilities for communication under the operator's emergency response procedures;

Third Coast did not establish a controller training program that includes training controllers on their responsibilities for communication under the operator's emergency response procedures. CRM-008, Section 8.2, Program, lists all the training elements that will be covered in the training program, but fails to explain the details of how the controllers are trained. Specifically, the training program fails to identify how controllers will be trained regarding their responsibilities for communication under the operator's emergency response procedures.

Third Coast must revise their training procedures to address how controllers will be trained on their responsibilities for communication under the operator's emergency response procedures.

9. § 195.446 - Control room management.

(h) *Training.* Each operator must establish a controller training program and review the training program content to identify potential improvements at least once each calendar year, but at intervals not to exceed 15 months. An operator's program must provide for training each controller to carry out the roles and responsibilities defined by the operator. In addition, the training program must include the following elements:

(1) ...

(4) Training that will provide a controller a working knowledge of the pipeline system, especially during the development of abnormal operating conditions;

Third Coast did not establish a controller training program that includes training that will provide a controller a working knowledge of the pipeline system, especially during the development of abnormal operating conditions. CRM-008, Section 8.2, Program, lists all the training elements that will be covered in the training program, but fails to explain the details of how the controllers

are trained. The training program fails to identify how controllers will be provided a working knowledge of the pipeline system, especially during the development of abnormal conditions.

Third Coast must revise their training procedures to address how controllers will be trained for a working knowledge of the pipeline system, especially during the development of abnormal operating conditions.

10. § 195.446 - Control room management.

(j) *Compliance and deviations.* An operator must maintain for review during inspection:

(1) ...

(2) Documentation to demonstrate that any deviation from the procedures required by this section was necessary for the safe operation of the pipeline facility.

Third Coast failed to have an adequate procedure for creating documentation to demonstrate that any deviation from the procedures required by this section was necessary for the safe operation of the pipeline facility.

Specifically, the CRM-APP-101, Control Room Management Plan Deviation Form and the control room management procedure fail to require documentation of why deviations from the procedures were necessary for the safe operation of the pipeline facility.

Third Coast must revise their Procedure to create a means of documenting why a deviation was necessary for the safe operation of the pipeline facility.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under §190.211. 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 an Order Directing Amendment. If 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. § 190.206). If you are not

contesting this Notice, we propose that you submit your amended procedures to my office within 60 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.

It is requested (not mandated) that Third Coast Midstream, LLC maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Dustin Hubbard, Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2021-007-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Dustin Hubbard
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

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

cc: PHP-60 Compliance Registry
PHP-500 D. Fehling (#20-172190)