

NOTICE OF AMENDMENT

VIA E-MAIL TO MR. DAVID ROSE

August 2, 2021

Mr. David Rose
Director, Environmental Health & Safety
Freeport-McMoRan Oil & Gas
201 S. Broadway Street
Orcutt, CA 93455

CPF 5-2021-043-NOA

Dear Mr. Rose:

During the week of October 26 through 30, 2020, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), performed an inspection of the Freeport-McMoRan Oil & Gas (Freeport-McMoRan) Lompoc Oil & Gas Plant (LOGP) Control Room located in Lompoc, California. This inspection included a review of company procedures and records, and personnel observations associated with Freeport-McMoRan's Control Room Management Program.

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

1. § 195.446 - Control room management.

***(a) General.* This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section...**

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, Freeport-McMoRan failed to have and follow written control room management procedures that defined the controller's role when an abnormal operating condition is detected, even if the controller is not the first to detect the condition, including the controller's responsibility to take specific actions to communicate with others, pursuant to the requirements set forth in § 195.446(b)(2).

The operator's Control Room Management Operations and Maintenance Plan, Section 300¹ – Roles, Authorities, and Responsibilities, Subsection 303 R&Rs – Primary Controller Responsibilities and Level of Authority, table on page 10 (revised October 2014)² sets forth the controller's responsibilities during abnormal operations. The procedure states that the controller must follow procedures, cannot revise procedures, and must notify a supervisor if the procedures need revising. It is unclear, however, how these instructions relate the controller's roles and responsibilities during abnormal operations, which must include the controller's responsibility to take specific actions and to communicate to others.

The operator must amend its procedures to clearly define the controller's responsibility and authority during abnormal operations.

2. § 195.446 - Control room management.

(a) General. This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section...

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, Freeport-McMoRan failed to have and follow written control room management procedures that adequately defined a controller's role during an emergency, even if the controller is not the first to detect the emergency, including the controller's responsibility to take specific actions and to communicate with others pursuant to the requirements set forth in § 195.446(b)(3).

The operator's Control Room Management Operations and Maintenance Plan, Section 300 – Roles, Authorities, and Responsibilities, Subsection 303 R&Rs – Primary Controller Responsibilities and Level of Authority, table on page 11 (revised October 2014) sets forth the controller's responsibilities during emergency operations. The table states that the controllers must complete training on emergency procedures, follow emergency procedures, and notify a supervisor if emergency procedures need revising. It is unclear, however, how these instructions relate to the controller's roles and responsibilities during emergency operations, which must include the controller's responsibility to take specific actions and to communicate with others.

¹ The title of Section 300 includes a typographical error, citing to § 195.436(b) rather than § 195.446(b).

² The table uses the acronym PSOM, which is not defined.

The operator must amend its procedures to clearly define the controller's responsibility and authority during emergency operations. This should include actions required during specific types of communication loss during emergency operations, including but not limited to loss of SCADA and/or loss of leak detection.

3. § 195.446 - Control room management.

(a) General. This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section...

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, Freeport-McMoRan failed to have and follow written control room management procedures that adequately defined the roles, responsibilities and qualifications of others who have the authority to direct or supersede the specific technical actions of controllers pursuant to the requirements set forth in § 195.446(b)(5).

The operator's procedure listed under Section 303 is not clear on who has the authority to direct or supersede the specific technical actions of a controller during normal, abnormal, and emergency operating conditions. For example, the procedures do not provide a list, organizational chart, or other means by which to define who has this authority. Nor do the procedures specify how an individual may direct or supersede the specific technical actions of the controller (e.g., under what conditions) and how this is documented if the situation occurs.³

Instead, the procedure mentions others "directing or advising" a controller, which is not the same as "directing or *superseding*" a controller (emphasis added). Additionally, the procedure states that a "non-qualified" controller can advise another controller on what tasks to accomplish, but not the precise actions to take. A non-qualified controller, however, should never have the authority to advise a qualified controller on what actions to take during operation, especially during abnormal or emergency conditions.

The operator must amend its procedure to clearly identify who has the authority to direct or supersede the technical actions of a controller during normal, abnormal and emergency operations, including how this authority would be specifically exercised, and how it will be documented.

4. § 195.446 - Control room management.

(a) General. This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow

³ See 49 C.F.R. § 195.446(j)(1) requiring operators to maintain for review during inspection records that demonstrate compliance with the requirements of this section.

written control room management procedures that implement the requirements of this section...

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, Freeport-McMoRan failed to have and follow written control room management procedures that adequately provided its controllers with the information, tools, processes and procedures necessary for the controllers to carry out the roles and responsibilities the operator has defined for point-to-point (P2P) verifications pursuant to the requirements set forth in § 195.446(c)(2).

Freeport-McMoRan's procedure in the Control Room Management (CRM) manual on P2P verifications is not the procedure the operator has implemented in its control room. During PHMSA's inspection, Freeport-McMoRan control room staff stated to PHMSA that they use the form found in the P2P Test Plan, which is more comprehensive than the CRM manual procedures on P2P verifications. For example, Section 403 of the CRM manual procedures on P2P verifications does not cover all the safety-related points that must be included in P2P verifications, which should include (but is not limited to) points supplying data on flow, pressure, density, temperature, valve/pump/pig status, set points and pipeline control points.

The operator must amend its procedure for P2P verification to reflect the actual process used in the control room. The procedures must also identify all points that can impact safety and require P2P verification, and how the verification will be documented.⁴

5. § 195.446 - Control room management.

(a) General. This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section...

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, Freeport-McMoRan failed to have and follow written control room management procedures that adequately address testing and verifying an internal communication plan to provide adequate means for manual operation of the pipeline safely, pursuant to the requirements set forth in § 195.446(c)(3).

For example, neither the company's procedures nor its internal communication plan addresses the difference between a catastrophic failure and a complete SCADA failure, despite noting each of these emergency scenarios separately.⁵

⁴ See 49 C.F.R. § 195.446(j)(1) requiring operators to maintain for review during inspection records that demonstrate compliance with the requirements of this section.

⁵ It is also unclear to PHMSA what distinguishes a "catastrophic failure" from a "complete SCADA failure."

It is also unclear how the internal communication plan is properly tested and verified. For example, the procedures require all qualified controllers to sign off on the drill (i.e. the testing of the internal communication plan), even if they did not participate. This incorrectly implies that all qualified controllers are being trained on the company's internal communications plan. Only personnel participating in a drill, however, should be certifying that they were present during the drill.

Finally, during the PHMSA inspection, Freeport-McMoRan control room staff informed PHMSA that they implement a different internal communication plan than the one set forth in the company's written procedures.

The operator must amend its procedure to clearly and accurately describe the process for testing and verifying the internal communication plan and to correct the deficiencies noted above.

6. § 195.446 - Control room management.

(a) *General.* This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section...

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, Freeport-McMoRan failed to have and follow written control room management procedures that adequately establish a maximum limit on controller hours-of-service, which may provide for an emergency deviation from the maximum limit if necessary for the safe operation of a pipeline facility pursuant to the requirements set forth in § 195.446(d)(4).

During the inspection, PHMSA noted that the control room utilizes two schedules for controller shifts but only one schedule is listed in the control room procedures manual.⁶ The operator must amend its procedures to accurately reflect the operating schedules and maximum limits on controller's hours of service for both controller shift schedules.

7. § 195.446 - Control room management.

(a) ...

(e) *Alarm management.* Each operator using a SCADA system must have a written alarm management plan to provide for effective controller response to alarms. An operator's plan must include provisions to:

(1) Review SCADA safety-related alarm operations using a process that ensures alarms are accurate and support safe pipeline operations;

⁶ Freeport-McMoRan has specific controllers who only work the night shift. They do not rotate through the schedule as the one schedule implies.

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, its written alarm management plan does not adequately provide for effective controller response to alarms by reviewing SCADA safety-related alarm operations using a process that ensures alarms are accurate and support safe pipeline operations.

Section 604 of its CRM (revised October 2014) addresses Alarm Priorities, Categories, and Types. PHMSA has identified the following inadequacies:

1. Page 41 documents the list of alarms and their priorities, categories, and types. However, the alarms listed do not add up to the total number of alarms shown. For example:
 - a. The Gaviota Oil Heating Facility (GOHF) lists three priority categories (1, 2, 3) with the number of alarms being 5, 30, and 13, respectively, which equals 48 but the total listed is 45.
 - b. The LOGP lists three priority categories (1, 2, 3) with the number of alarms being 15, 28, and 15, respectively, which equals 58 but the total listed is 214.
2. The table on page 39 shows a column that is titled "percentage of occurrence" but fails to identify any percentages.
3. The bottom of page 39 continuing onto the top of page 40 states: "The safety related alarms are audible *and/or* visual indications on the control console of an abnormal condition that require at least two actions by an operator" but the operator confirmed that all alarms are both audible and visual.
4. Forms identified as 304 and 508 in the procedure do not exist.
5. The Alarm Management Plan fails to have an adequate procedure in place to explain the administrative controls for the disabling of safety-related alarms.
6. Section 608 SCADA/Control Room Point to Point Review, page 46 discusses the procedure for stale alarms. However, during the PHMSA inspection, Freeport-McMoRan control room staff confirmed to PHMSA that this written procedure is not accurate and does not reflect the process they follow for stale alarms in the control room.

The operator must amend its procedures to correct the errors noted above. The amended procedures must also accurately reflect the process it uses for reviewing SCADA safety-related alarm operations using a process that ensures alarms are accurate and support safe pipeline operations. This must include adequate procedures to identify how leak detection alarms would be configured in SCADA.

8. § 195.446 - Control room management.

(a) ...

(e) *Alarm management.* Each operator using a SCADA system must have a written alarm management plan to provide for effective controller response to alarms. An operator's plan must include provisions to:

(1) ...

(2) Identify at least once each calendar month points affecting safety that have been taken off scan in the SCADA host, have had alarms inhibited, generated false alarms, or that have had forced or manual values for periods of time exceeding that required for associated maintenance or operating activities;

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, its written alarm management plan does not include adequate provisions to identify at least once each calendar month points affecting safety that have been taken off scan in the SCADA host, have had alarms inhibited, generated false alarms, or that have had forced or manual values for periods of time exceeding that required for associated maintenance or operating activities.

For example, while it appears that the CRM manual, Section 608 – SCADA/ Control Room Point to Point Review, indicates that monthly reviews of alarms are performed, the process is disjointed and lacks specificity to be a clear procedure.⁷ Additionally, although Freeport-McMoRan has a process for investigating problems associated with its alarms (LOGP Alarm and Procedures), it only addresses leak detection alarms and fails to identify the process for promptly correcting identified problem alarms that are not associated with leak detection. Further, the CRM manual fails to mention the LOGP Alarm and Procedures document referenced above.

The operator must amend its procedure to correct the deficiencies noted above.

9. § 195.446 - Control room management.

(a) ...

(e) Alarm management. Each operator using a SCADA system must have a written alarm management plan to provide for effective controller response to alarms. An operator's plan must include provisions to:

(1) ...

(3) Verify the correct safety-related alarm set-point values and alarm descriptions when associated field instruments are calibrated or changed and at least once each calendar year, but at intervals not to exceed 15 months;

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, its written alarm management plan does not provide for effective controller response to alarms, because it fails to identify a procedure to verify the correct safety related alarm set points and alarm descriptors when field instruments are calibrated or changed, at least once each calendar year, but at intervals not to exceed 15 months.

The operator must develop a procedure to clearly identify how controllers will verify the correct safety-related alarm set-point values and alarm descriptions when associated field instruments are calibrated or changed and at least once each calendar year, but at intervals not to exceed 15 months.

⁷ Given this procedural uncertainty, during the inspection, PHMSA asked Freeport-McMoRan control room personnel to explain how they follow and implement the company's procedures on conducting point-to-point reviews, but they were unable to do so.

10. § 195.446 - Control room management.

(a) ...

(e) *Alarm management.* Each operator using a SCADA system must have a written alarm management plan to provide for effective controller response to alarms. An operator's plan must include provisions to:

(1) ...

(4) Review the alarm management plan required by this paragraph at least once each calendar year, but at intervals not exceeding 15 months, to determine the effectiveness of the plan;

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, Section 609 – Alarm Management Plan Review states that the alarm management review is to be documented on one form (Form 609) but then states the review will be documented on another form (Form 509), which doesn't exist.

The operator must amend its procedure to accurately reflect the process for performing the review of the alarm management plan at least once each calendar year, but at intervals not exceeding 15 months, and how the review will be documented.

11. § 195.446 - Control room management.

(a) ...

(e) *Alarm management.* Each operator using a SCADA system must have a written alarm management plan to provide for effective controller response to alarms. An operator's plan must include provisions to:

(1) ...

(5) Monitor the content and volume of general activity being directed to and required of each controller at least once each calendar year, but at intervals not exceeding 15 months, that will assure controllers have sufficient time to analyze and react to incoming alarms;

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, its written alarm management plan fails to include a provision that sufficiently addresses monitoring the content and volume of general activity being directed to and required of each controller at least once each calendar year, but at intervals not exceeding 15 months, to assure controllers have sufficient time to analyze and react to incoming alarms.

Section 610 – Controller Activity Review states: “The content and volume of activities for each controller shall be monitored, and if necessary remedied, to assure sufficient time to analyze and properly act on incoming alarms, as appropriate. Circadian was brought in to perform an initial baseline study to determine controller workload.”⁸ It further states: “Once per calendar year or

⁸ Since the operator could not produce the study, it is unclear if the company is named Circadian, or if it is a company that conducts circadian studies.

whenever significant changes are being made as determined by the MOC process, an activity review will be conducted, with the findings documented on memorandum or other acceptable method. This review will use the Circadian study and document any changes and how they impact the findings from this study. If the change shows a major impact, FM O&G will investigate the need to have Circadian or a similar company perform another full study.”

During the PHMSA inspection, the initial baseline study to determine controller workload performed by Circadian could not be provided. Despite this, Freeport-McMoRan’s procedures require that its yearly reviews use this study to document any proposed changes and how these changes impact the findings from this study. When asked about how this can be accomplished without a copy of the initial baseline study performed by Circadian, Freeport-McMoRan’s staff explained that without the initial study, they always note that nothing has changed.

The operator must amend its procedure to provide an accurate process to monitor the content and volume of general activity being directed to, and required of each controller at least once each calendar year, but at intervals not exceeding 15 months, that will assure controllers have sufficient time to analyze and react to incoming alarms. If the company cannot locate the initial report from Circadian, PHMSA recommends having Circadian or a similar company perform another full study to use as its baseline assessment.

12. § 195.446 - Control room management.

(a) ...

(e) *Alarm management.* Each operator using a SCADA system must have a written alarm management plan to provide for effective controller response to alarms. An operator's plan must include provisions to:

(1) ...

(6) Address deficiencies identified through the implementation of paragraphs (e)(1) through (e)(5) of this section.

Freeport-McMoRan’s control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, its written alarm management plan, Section 612 – Alarm Management Plan Deficiencies of the Control Room Management Manual, does not include procedures for addressing deficiencies identified through implementation of §195.446(e)(1)-(5). Instead, the section paraphrases agency guidance material (Control Room Management FAQ E.16), and also references Section 607, which simply restates the regulatory requirements in subsection (e). For example, the procedure does not include any clear instruction on how the company will discover, evaluate, and remediate identified deficiencies, or identify root cause(s), trends, etc. that may be indicative of systemic deficiencies that need to be corrected.

The operator must develop a procedure for how it will address deficiencies identified through the implementation of §195.446(e)(1)-(5).

13. § 195.446 - Control room management.

(a) General. This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section...

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, Freeport-McMoRan failed to have and follow written control room management procedures that adequately assure that changes that could affect control room operations are coordinated with control room personnel by requiring its field personnel to contact the control room when emergency conditions exist and when making field changes that affect control room operations pursuant to the requirements set forth in § 195.446(f)(2).

Specifically, Freeport-McMoRan's Standard Operating and Maintenance Procedures Manual for Hazardous Liquid Pipelines (Revision 2018), Procedure 7.01 (Fed/Cal) for inspecting and maintaining emergency valves fails to explicitly require that field personnel contact the control room when emergency conditions exist, or when making field changes that affect control room operations. Additionally, the required form mentioned in the procedure (Form 7.01A) does not provide an area to indicate that the control room was notified prior to and after the valve is operated.

The operator's procedure and form documentation must be revised to require field personnel to contact the control room when emergency conditions exist and when making field changes that affect control room operations.

14. § 195.446 - Control room management.

(a) General. This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section...

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, Freeport-McMoRan failed to have and follow written control room management procedures that adequately explain in sufficient detail how the operator includes lessons learned from the operator's experience in its control room management training program pursuant to the requirements set forth in § 195.446(g)(2).

Specifically, Section 802 – Lessons Learned, of the Control Room Management manual merely paraphrases the § 195.446(g)(2) regulatory text and does not include an established method for

identifying lessons learned from experience and incorporating them into its training program.⁹ The operator must develop a detailed procedure that explains how the company will include lessons learned from the operator's experience into the training program required by this section.

15. § 195.446 - Control room management.

(a) ...

(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;

(2) Use of a computerized simulator or non-computerized (tabletop) method for training controllers to recognize abnormal operating conditions;

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

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

(5) For pipeline operating setups that are periodically, but infrequently used, providing an opportunity for controllers to review relevant procedures in advance of their application; and

(6) Control room team training and exercises that include both controllers and other individuals, defined by the operator, who would reasonably be expected to operationally collaborate with controllers (control room personnel) during normal, abnormal or emergency situations. Operators must comply with the team training requirements under this paragraph no later than January 23, 2018.

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility. Specifically, Freeport-McMoRan failed to establish a controller training program that sufficiently incorporates the requirements set forth in § 195.446(h). While the training program generally states the training elements that will be covered, the program fails to explain in sufficient detail how controllers will be trained on these elements.

For example, the training program fails to identify how controllers will be trained (e.g., types of exercises), or how they will be evaluated (e.g., assigning pass/fail criteria for training elements), including specifying how many times a controller can retake any failed training element before additional training is required. Additionally, the training program includes a controller's ability

⁹ Section 802 also incorrectly cites to reporting requirements under Part 191, which only applies to the transportation of natural and other gas by pipeline. Freeport-McMoRan operates hazardous liquid assets and therefore is subject to the reporting requirements under Part 195, subpart B.

to see colors as a component of training, when this really is a matter of SCADA display standards.¹⁰

Additionally, the required annual review of the training program to identify potential improvements is a statement rather than a procedure. The metrics listed for use in determining the effectiveness of the training program are unclear and difficult to discern, and include items that do not measure effectiveness, such as participation in drills.

The operator must develop an adequate training program that provides the details necessary to understand how controllers will be trained on the elements set forth in § 195.446(h)(1)-(6) and addresses the deficiencies noted above. The training content must require each controller to demonstrate proficiency in each of the roles and responsibilities identified by the operator as well as the applicable operator qualification (OQ) covered tasks.

16. § 195.446 - Control room management.

(a) ...

(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.

Freeport-McMoRan's control room management procedures are inadequate to assure safe operation of a pipeline facility.

Specifically, Section 1000 – Compliance Validation and Deviations, is disjointed and unclear. For example, several parts of this section simply paraphrase the regulatory text and/or agency guidance documents, and does not set forth an actual process that explains how the company will document instances of deviation from its procedures when it is deemed necessary for the safe operation of the pipeline facility.

Further, Subsection 1003 – Deviation and Exception Process fails to include acceptable criteria for determining whether a deviation was necessary for safe operation. For example, the procedure states that the Facility Supervisor may approve hours of service (HOS) deviation on Form #503. However, the form could not be found and it could not be determined if the form ever existed. It is unclear under which circumstances a Facility Supervisor could approve HOS deviation, or when they should be denied. The procedures do not offer any decision-trees, guidelines, or other explanation for when and how deviation may occur.

The operator must amend its procedure to accurately reflect the deviation process and documentation for deviations, addressing the deficiencies noted above.

¹⁰ The training manual lists this under operator qualifications. The ability to see SCADA display symbols, colors, etc. is not, however, an operator qualified (OQ) covered task. Section 903 – Training and Qualification Program Elements fails to identify appropriate covered tasks for operator qualifications.

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 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.

It is requested (not mandated) that Freeport McMoRan 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 5-2021-043-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

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

cc: PHP-60 Compliance Registry
PHP-500 D. Fehling (#20-173099)