



November 20, 2023

Email to dustin.hubbard@dot.gov

Dustin Hubbard
Director, Wester Region,
Office of Pipeline Safety
Pipeline and Hazardous Material
Safety Administration

RE: Notice of Probable Violation and Proposed Compliance Order CPF 5-2023-043-NOPV

Dear Mr. Hubbard:

On August 22 through 26, 2022, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected the PAR Hawaii Refining, LLC (PAR) control room procedures and records for the Kapolei control room in Kapolei, Hawaii.

On October 25, 2023, PHMSA issued the above referenced Notice of Probable Violation (NOPV) and Proposed Compliance Order (PCO) to Par Hawaii. The NOPV alleges 3 probable violations and proposed compliance order for Items 3, 5, and 6 and classifies Items 1, 2, and 4 as warning items.

Par Hawaii does not contest the violations identified and provides the following responses to PHMSA (NOPV) Items 3, 5 and 6. In addition, while a written response is not required for the warning items, Par Hawaii has elected to provide responses to the warning items 1, 2 and 4 as follows:

PHMSA Item 3 and Proposed Compliance Order:

3. §195.446 Control room management.

(a) . . .

(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;

PAR failed to 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. During the inspection, PAR could not produce any records to demonstrate it had tested and verified its communication plan on an annual basis.⁴

Therefore, PAR failed to test and verify its internal communication plan at least once a calendar year, but at intervals not to exceed 15 months as required pursuant to § 195.446(c)(3).

Associated (PCO) In regard to Item 3 of the Notice pertaining to PAR's failure to 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, PAR must conduct a test of its internal communications plan and submit the results of this test to PHMSA within 60 days of receipt of the Final Order.

Par Hawaii Response to item 3:

Par has incorporated into our control room processes, an internal communication plan to provide means of safe manual operation of our pipeline system. Par has recently tested and verified the internal communication plan and will continue to verify and test annually once each calendar year, not to exceed 15 months as required by §195.446 (c)(3). The record of this plan (Attachment 1) along with the annual testing record (Attachment 2) are submitted for consideration to the associated (PCO).

PHMSA Item 5 and Proposed Compliance Order:

5. §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) ...

(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.

PAR failed to provide for training each controller to carry out the roles and responsibilities defined by the operator as required. Specifically, during the PHMSA inspection, PAR could not provide any records demonstrating it had conducted team training and exercises once each calendar year, at intervals not to exceed 15 months, that included both controllers and other individuals who would reasonably expect to operationally collaborate with controllers during normal, abnormal or emergency situations.⁶

Therefore, PAR failed to conduct control room team training and exercises once each calendar year, at intervals not to exceed 15 months, as required by § 195.446(h)(6).

Associated (PCO) In regard to Item 5 of the Notice pertaining to PAR's failure to provide for training each controller to carry out the roles and responsibilities defined by the operator as required, PAR must train their controllers with their new procedure to require conducting a team training and exercises once each calendar year, at intervals not to exceed 15 months, that included both controllers and other individuals who would reasonably expect to operationally collaborate with controllers during normal, abnormal or emergency situations and train their controllers with this new procedure. PAR must submit records of training to PHMSA within 60 days of receipt of the Final Order.

Par Hawaii Response to item 5:

Par has incorporated and conducted the Team Training exercise to meet the §195.446 (h)(6) requirement and will continue this training annually once each calendar year, not to exceed 15 months as required. The record of training is attached (Attachment 3) and submitted for consideration to the associated (PCO).

PHMSA Item 6 and Proposed Compliance Order:

6. §195.446 Control room management.

(a)

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

(1) Records that demonstrate compliance with the requirements of this section; ...

PAR failed to provide records to demonstrate that it was in compliance with § 195.446(c)(1). Specifically, § 195.446(c)(1) requires an operator to implement API RP 1165 whenever a SCADA system is added, expanded or replaced, unless the operator demonstrates that certain provisions of API RP 1165 are not practical for the SCADA system used. At the time of PHMSA inspection, PAR mentioned that they integrated the Atmos Leak Detection system into its SCADA system in 2013. However, PAR could not provide any records and or analysis that API RP 1165 has been followed during the integration or any justification that API RP 1165 is not practical for the SCADA system used. ⁷

Associated (PCO) In regard to Item 6 of the Notice pertaining to PAR's failure to document that the new Atmos SCADA screens were in compliance with API RP 1165, PAR must conduct analysis of its Atmos leak detection SCADA screens for compliance with API RP 1165 and submit this analysis to PHMSA within 30 days of receipt of the Final Order.

Par Hawaii Response to item 6:

Par Hawaii has coordinated a formal analysis of its SCADA screen. The analysis report is attached (Attachment 4) and submitted for consideration to the associated (PCO).

PHMSA Item 1 Warning:

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 pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section. The procedures required by this section must be integrated, as appropriate, with the operator's written procedures required by § 195.402...

PAR failed to follow its written control room management procedures (CRMP) implementing the requirements of § 195.446(e)(5) as required. Specifically, PAR failed to follow CRMP Section 5.4 Workload Analysis for monitoring controller activity¹. The procedure required PAR to observe the actions of each controller at least once each calendar year. However, PAR could not provide any records to demonstrate that PAR 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.²

Therefore, PAR failed to follow its written procedures as required pursuant to § 195.446(a).

Par Hawaii Response to item 1:

Par has consistently conducted a Workload analysis (WLA) to monitor the content and volume of general activity being directed to and required of the Lead Distribution Operator (LDO) position at least once each calendar year, not to exceed 15 months.

The CRMP has been revised to clarify that the LDO role is evaluated annually rather than each LDO. Additional clarification and details regarding the WLA process and LDO performance metrics have been included in the CRMP. With these changes, we believe we are now consistently following our written procedures.

PHMSA Item 2 Warning:

2. §195.446 Control room management.

(a) . . .

(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) . . .

(2) Conduct a point-to-point verification between SCADA displays and related field equipment when field equipment is added or moved and when other changes that affect pipeline safety are made to field equipment or SCADA displays;

PAR failed to conduct a point-to-point verification between SCADA displays and related field equipment when field equipment is added or moved and when other changes that affect pipeline safety are made to field equipment. Specifically, during inspection, it was noted that PAR installed a new MOV kicker valve as shown in its MOC# M2018249-001. However, PAR could not provide any records to demonstrate that a point-to-point verification had been conducted between the field and the control room after the MOV kicker valve was installed.³

Therefore, PAR failed to conduct a point-to-point verification as required per § 195.446(c)(2).

Par Hawaii Response to item 2:

Subsequent to the inspection, the record of performing the point-to-point verification was located. While the record was not attached to the MOC at the time of record inspection, the record of performance is available and is now attached to the MOC. The importance of ensuring that the point-to-point verification documentation is consistently recorded within the MOC documentation has been reviewed with the Maintenance and Engineering teams.

PHMSA Item 4 Warning:

4. §195.446 Control room management.

(a) . . .

(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) . . .

(4) Test any backup SCADA systems at least once each calendar year, but at intervals not to exceed 15 months;

PAR failed to test any backup SCADA systems at least once each calendar year, but at intervals not to exceed 15 months. During PHMSA inspection, PAR could not provide any records to demonstrate its backup SCADA systems had been tested in the calendar years of 2019, 2020 and 2021.⁵

Therefore, PAR failed to test its backup SCADA systems at least once each calendar year, but at intervals not to exceed 15 months as required.

Par Hawaii Response to item 4:

If pipeline operations need to be maintained during catastrophic loss of SCADA or evacuation of the primary control room, the Distributed Control System (DCS) Lab in the Administration building has been established as the backup control room. A Standing Order (SO2022-04) has been developed to address LDO actions for internal/manual communication and operations from the backup control room. The developed Standing Order is the DOT Pipeline Internal Communications Plan (Attachment 1) and includes the details of implementing and testing the internal communication plan, evacuation of the control room, and testing of the backup SCADA system. The record of testing of the Secondary Control Room is attached (Attachment 5).

If you have any questions or need additional information, please contact me directly or Michelle Loveless at Phone (808) 547-3868, email: mloveless@parpacific.com

Sincerely,



Mark Hepburn
VP, Hawaii Logistics
Par Hawaii Refining, LLC
Mhepburn@parpacific.com

cc: Eric Wright, President (Par Hawaii)
Michelle Loveless, Compliance Coordinator (Par Hawaii)
La Toya Reese, CTR (PHMSA)
Marion Garcia, (PHMSA)
Jason Dunphy, (PHMSA)

Attachments:

1. Par Hawaii Internal Communications Plan
2. Par Hawaii Internal Communication Plan Testing documentation
3. Par Hawaii record of Team Training Exercise
4. Analysis report of Par Hawaii ATMOS Leak Detection SCADA Screens
5. Testing of Secondary Control Room Form