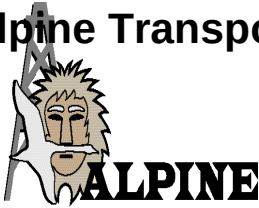


# Alpine Transportation Company



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**Raj Choudhury**  
Vice President  
Alpine Pipeline Company  
ATC Managing Partner

January 16, 2025

Mr. Dustin Hubbard  
Director, Western Region, Office of Pipeline Safety  
Pipeline and Hazardous Materials Safety Administration  
12300 Dakota Ave., Suite 110  
Lakewood, CO 80228

**RE: Alpine Transportation Company Response to Notice of Probable Violation and Proposed Compliance Order - CPF 5-2024-041-NOPV, Alpine Crude Pipeline, OPID 31552**

Dear Mr. Hubbard,

On December 18, 2024, Alpine Transportation Company (ATC), owner of the Alpine Oil Pipeline (APL), OPID 31552, received Notice of Probable Violation and Proposed Compliance Order - CPF 5-2024-041-NOPV<sup>1</sup> (NOPV) related to the inspection performed by the Pipeline and Hazardous Materials Safety Administration (PHMSA) from April 29 to May 3, 2024, and May 28 to May 31, 2024. The NOPV alleges three probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). This letter provides responses to all three allegations and respectfully requests that PHMSA withdraw the NOPV and the associated Proposed Compliance Order.

ATC respectfully requests an informal meeting pursuant to 49 U.S.C. § 60117(b)(1)(B) to discuss the allegations and Proposed Compliance Order in the NOPV and provide additional information. To preserve its rights, ATC also requests a hearing pursuant to 49 C.F.R. §§ 190.208(a)(4) and 190.211(b). Please consider the preliminary response set out below as the statement of issues that ATC intends to discuss at the informal meeting, and at a hearing, if one is necessary. ATC hopes that a hearing will be unnecessary and that the parties can resolve this matter during or after the informal meeting. As such, ATC respectfully requests that PHMSA refrain from scheduling a hearing so that the parties have sufficient time to attempt to informally resolve this matter.

Under 5 U.S.C. 552(b)(4), ATC requests that the attached documents and contents be treated as confidential and not be made publicly available. This request is being made as the information pertains to our internal policies, processes and practices directly associated with critical infrastructure, which includes trade secret and commercial information.

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<sup>1</sup> The NOPV and Proposed Compliance Order were issued to ConocoPhillips Alaska Inc. (CPAI) who is the owner of the Alpine Arctic Heating Fuel Pipeline, OPID 31970. Some of the allegations and references in the NOPV relate to infrastructure owned by Alpine Transportation Company, OPID 31552. Alpine Transportation Company is a separate and distinct entity from CPAI, with a separate OPID. CPAI understands that Alpine Transportation Company is preparing and submitting its own independent response to the NOPV.

**Probable Violation 1: § 195.452 Pipeline Integrity Management in High Consequence Areas**

Alleged Probable Violation

| Regulation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Allegation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| <p>§ 195.452 Pipeline integrity management in high consequence areas.</p> <p>(a) ...</p> <p>(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:</p> <p>(1) ....</p> <p>(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):</p> | <p>The Operator failed to consider information critical to determining the potential for, and preventing, damage due to vehicle strikes in their information analysis, as required. Specifically, the Operator failed to include vehicle strikes as a potential risk factor to consider in the information analysis which is a part of its written integrity management program risk assessment.</p> <p>During the PHMSA inspection, the Operator provided an Annual Risk Assessment Screening for the APL and AHF dated March 28, 2024. Damage from vehicle strikes was not identified in the Other Outside Force Damage category for either pipeline. However, PHMSA noted that per accident reports dated April 22, 2024, and April 28, 2024, two vehicle strikes occurred the AHF on March 22, 2024, and March 27, 2024. § 195.452(g)(2) requires operators to, “consider 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.” As such, damage from vehicle strikes is a potential risk factor that should have been included for in the information analysis for both pipelines.</p> <p>Therefore, the Operator failed to include an analysis that integrates all available information about the integrity of the entire pipeline and the consequences of a failure, as required.</p> |

ATC Response to Alleged Probable Violation

ATC disagrees with Alleged Probable Violation 1 and does not believe it is in violation of the referenced citation. Accordingly, ATC respectfully requests that it be removed from the NOPV and associated Proposed Compliance Order.

Vehicle strikes to the APL is a risk factor included in ATC's Pipeline Risk Assessment Model (PRAM) and is contained in the risk category "External Force." The PRAM is a robust risk assessment modelling software that quantifies a wide range of risks for each discrete pipeline segment. The most recent assessments that include the referenced risk factor were conducted in 2018, 2021, and 2022 and are attached for your review. See APL Attachment 1.

Alleged Probable Violation 1 suggests that ATC's Annual Risk Assessment Screening tool should have been the place that accounted for vehicle strike risks, specifically in the "Other Outside Force Damage category." However, ATC uses its Annual Risk Assessment Screening tool to evaluate current pipeline risk factors, integrity data and information to determine if there have been changes warranting an update of the existing PRAM. Additionally, any changes to information which may affect the potential for vehicle strikes, such as pipeline proximity to roadways or position within a pipe rack, would be identified in the "Pipeline System Configuration" portion of the Annual Risk Assessment Screening tool. "Other Outside Force Damage" referenced in the NOPV is not a category within the Annual Risk Assessment Screening tool.

**Probable Violation 2: § 195.446 Control Room Management.**

Alleged Probable Violation

| Regulation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Allegation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| § 195.446 Control room management.<br>(a) ...<br>(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:<br>(1) ...<br>(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: | The Operator failed to adequately document a point-to-point verification between SCADA displays and related field equipment at the time the equipment was installed, as required.<br><br>Specifically, the Operator conducted a Functional Check-Out (FCO) point-to-point verification for the Mustang pipeline isolation valve (MU-X2I-2220) but did not properly document it at the time the activity occurred in 2019. The MU-X2I-2220 valve's function was to isolate the Mustang pipeline from the APL. The Mustang pipeline started up on October 16, 2019. During inspection, PHMSA reviewed the 2019 APL Point-to-Point documentation which was completed on December 29, 2019, but that record stated the activity (the FCO of the Mustang pipeline |

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|  | <p>isolation valve) was completed prior to the Mustang pipeline’s startup. The record should have been created at the time the activity occurred.</p> <p>Therefore, the Operator failed to timely document a point-to-point verification between SCADA and the related field equipment, as required.</p> |
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### ATC Response to Alleged Probable Violation

ATC disagrees with Alleged Probable Violation 2 and does not believe it is in violation of the referenced citation. Additionally, the cited regulation does not apply to the alleged conduct. Accordingly, ATC respectfully requests that it be removed from the NOPV.

ATC maintains that all equipment and pipelines impacting its pipeline were verified, with the required point-to-point verification completed and documented. During the closeout of the Mustang Project, it was identified that the Pre-Startup Safety Review (PSSR) form for the Mustang tie-in isolation valve (MU-X2I-2220) was missing from the final documentation package. On December 29, 2019, operations personnel verified through field notes documented at the time that the PSSR was completed on October 16, 2019, and that the point-to-point verification was successfully conducted. The PSSR form was recreated on December 29, 2019, with a note indicating that the actions were originally completed on October 16, 2019. Supporting information was provided to PHMSA inspectors on May 2, 2024. *See* APL Attachment 2.

Additionally, the cited regulation under 49 C.F.R. § 195.446(c)(2) does not apply to the alleged conduct. The regulation requires operators to conduct point-to-point verification between SCADA displays and related field equipment when field equipment is added, moved, or otherwise changed in a manner that affects pipeline safety. The allegation, however, relates to the timing of documentation, not to the performance of the point-to-point verification itself. ATC maintains that the required verification was conducted and verified at the time of installation, fulfilling the requirements of the regulation. As such, documentation timing issues do not constitute non-compliance with § 195.446(c)(2).

### **Probable Violation 3: § 195.420 Valve Maintenance.**

#### Alleged Probable Violation

| Regulation                                                                                                                                                 | Allegation                                                                                     |
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| <p>(a) ...</p> <p>(b) Each operator must, at least twice each calendar year, but at intervals not exceeding 7 ½ months, inspect each mainline valve to</p> | <p>The Operator failed to partially operate each mainline valve a minimum 25 percent valve</p> |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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| <p>determine that it is functioning properly. Each rupture-mitigation valve (RMV), as defined in § 195.2 and not contained in a gathering line, or alternative equivalent technology that is installed under § 195.258(c) or § 195.418, must also be partially operated. Operators are not required to close the valve fully during the inspection; a minimum 25 percent valve closure is sufficient to demonstrate compliance, unless the operator has operational information that requires an additional closure percentage for maintaining reliability.</p> | <p>closure during semi-annual valve maintenance, as required.</p> <p>Specifically, a record documenting valve maintenance for mainline block valves on the APL facility indicated some valves were not partially operated to a minimum of 25 percent valve closure. PHMSA reviewed the maintenance record for valves ROV-AL9562 and ROV-AL9264 and observed that the document had a checked box next to an entry that said "Inspected", but the box next to an entry that said "Stroked ___%" was left unchecked and "10" was handwritten in the blank space of the entry. This record did not clearly indicate whether the valves were stroked but indicated that if they were stroked, it would have only been to 10 percent. The maintenance form indicated with checkmarks that valves ROV-AL9287B and ROV-AL9561 were inspected, but not that they were stroked. In comparison, PHMSA observed that the entry on the maintenance form for valve ROV-AL9287A indicated with checkmarks that the valve was both inspected and stroked, with "100" written into the blank space of the form for percentage the valve was operated. Thus, the Operator failed to demonstrate that the mainline valves ROVAL9562, ROV-AL9264, ROV-AL9287B, and ROV-AL9561 were stroked to the required minimum 25 percent.</p> <p>Additionally, the work order preceding the inspection form in the maintenance record stated in the maintenance activity procedure, Section 4.3, that "If valve cannot be fully stroked because of process condition, then functionally check each mainline valve by stroking approximately 20% to ensure operability." This demonstrates that the operator's valve maintenance procedure does not require mainline valves to be stroked to the required minimum of 25 percent.</p> |
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|  | Therefore, the Operator has failed to partially operate each valve at a minimum 25 percent valve closure during its semi-annual valve maintenance, as required. |
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#### ATC Response to Alleged Probable Violation

ATC believes Alleged Probable Violation 3 is partially inaccurate. ATC fully resolved the allegation prior to receipt of the NOPV and accordingly, ATC respectfully requests that it be removed from the NOPV and associated Proposed Compliance Order, or in the alternative, reduced to a warning.

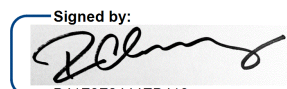
ATC clarifies that ROV-AL9264 is the only valve designated as a Rupture Mitigation Valve (RMV) as defined by § 195.2 and is, therefore, the only valve within this Preventative Maintenance (PM) program required to be partially operated to a minimum of 25%. However, ATC acknowledges PHMSA's concerns and has taken corrective actions to address them as follows:

1. **Procedural Update:** On October 8, 2024, ATC updated the PM procedure language in Section 4.3 to require that all valves covered under this PM be stroked to "approximately 25%." Additionally, the maintenance form was revised to explicitly require that ROV-AL9264 be partially operated to a minimum of 25%.
2. **Inspection and Operation:** On November 9, 2024, ATC inspected and partially operated all mainline valves within this PM (ROV-AL9562, ROV-AL9264, ROV-AL9287B, and ROV-AL9561) to 25% demonstrating effective implementation of the revised procedure.

Documentation associated with these changes and inspections is provided in APL Attachment 3.

For further information requests or questions related to this response, please contact the ATC DOT Program Coordinator Rich Vicente at 907-265-6742 or [Richard.Vicente@conocophillips.com](mailto:Richard.Vicente@conocophillips.com).

Sincerely,

Signed by:  


B41F8F2444EB419...  
Raj Choudhury

APC Vice President  
ATC Managing Partner

Attachments: APL Attachment 1, APL Attachment 1-REDACTED, APL Attachment 2, APL Attachment 2-REDACTED, APL Attachment 3, and APL Attachment 3-REDACTED

Sent electronically. No paper copy to follow.