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Ed Connelly
VP, North Slope Operations
ConocoPhillips Company

January 16, 2025

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

RE: ConocoPhillips Alaska Inc. Response to Notice of Probable Violation and Proposed Compliance Order - CPF 5-2024-041-NOPV, Alpine Arctic Heating Fuel Pipeline, OPID 31970

Dear Mr. Hubbard,

On December 18, 2024, ConocoPhillips Alaska Inc. (CPAI) owner of the Alpine Arctic Heating Fuel Pipeline (AHF), OPID 31970, received Notice of Probable Violation and Proposed Compliance Order - CPF 5-2024-041-NOPV¹ (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.

CPAI 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, CPAI 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 CPAI intends to discuss at the informal meeting, and at a hearing, if one is necessary. CPAI hopes that a hearing will be unnecessary and that the parties can resolve this matter during or after the informal meeting. As such, CPAI 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), CPAI 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.

¹ The NOPV and Proposed Compliance Order were issued to ConocoPhillips Alaska Inc. but also include allegations and references related to infrastructure owned by ATC. ATC is a separate and distinct entity from ConocoPhillips Alaska Inc., and ATC understands that ConocoPhillips Alaska Inc. 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
§ 195.452 Pipeline integrity management in high consequence areas. (a) ... (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: (1) (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):	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. During the PHMSA inspection, the Operator provided the 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. 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.

CPAI Response to Alleged Probable Violation

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

Vehicle strikes to the AHF is a risk factor included in CPAI'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 2019 and 2024. The 2019 assessment was thoroughly discussed with PHMSA inspectors, each category reviewed, and PHMSA inspectors were notified of the next scheduled assessment completed in October 2024. Additional information requested by PHMSA regarding the risk categories was provided to PHMSA on April 30, 2024. See AHF Attachment 1.

Alleged Probable Violation 1 suggests that CPAI'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, CPAI 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
§ 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	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. 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

pipeline safety are made to field equipment or SCADA displays:	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 isolation valve) was completed prior to the Mustang pipeline’s startup. The record should have been created at the time the activity occurred. Therefore, the Operator failed to timely document a point-to-point verification between SCADA and the related field equipment, as required.
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CPAI Response to Alleged Probable Violation

Alleged Probable Violation 2 does not relate to the AHF and should have been directed at Alpine Oil Pipeline, OPID 31552, which is owned by Alpine Transportation Company. CPAI understands that Alpine Transportation Company is separately submitting a letter in response to this Alleged Probable Violation. Accordingly, CPAI respectfully requests that it be removed from the NOPV.

Probable Violation 3: § 195.420 Valve Maintenance.

Alleged Probable Violation

Regulation	Allegation
(a) ... (b) Each operator must, at least twice each calendar year, but at intervals not exceeding 7 ½ months, inspect each mainline valve to 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.	The Operator failed to partially operate each mainline valve a minimum 25 percent valve closure during semi-annual valve maintenance, as required. 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. 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. 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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CPAI Response to Alleged Probable Violation

Alleged Probable Violation 3 does not relate to AHF and should have been directed at Alpine Oil Pipeline, OPID 31552, which is owned by Alpine Transportation Company. CPAI understands that Alpine Transportation Company is separately submitting a letter in response to this Alleged Probable Violation. Accordingly, CPAI respectfully requests that it be removed from the NOPV and associated Proposed Compliance Order.

ConocoPhillips Alaska, Inc.
Response to the Pipeline and Hazardous Materials
and Safety Administration, Notice of Probable Violation
and Proposed Compliance Order, CPF5-2024-041-01
Alpine Arctic Heating Fuel Pipeline OPID 31970

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.

Sincerely,

Signed by:


CDE86D187A4249C...
Ed Connelly

VP, North Slope Operations

Attachments: AHF Attachment 1, AHF Attachment 1- REDACTED

Sent electronically. No paper copy to follow.