

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: john.kurz@alyeska-pipeline.com

April 25, 2025

Mr. John Kurz
President and CEO
Alyeska Pipeline Service Company
PO Box 196660, MS 502
Anchorage, Alaska 99519

CPF 5-2025-013-NOA

Dear Mr. Kurz:

From April 22 through April 26, 2024 and May 8 through May 10, 2024, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected Alyeska Pipeline Service Company's (APSC) procedures for operation and maintenance of the Trans-Alaska Pipeline System (TAPS) in Anchorage, Alaska.

As a result of the inspection, PHMSA has identified the apparent inadequacies found within APSC's plans or procedures, as described below:

1. **§ 195.402 Procedural manual for operations, maintenance, and emergencies.**
 - (a)...
 - (c) ***Maintenance and normal operations.*** The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:
 - (1)...
 - (3) **Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.**

APSC's procedures were inadequate to maintain pipeline safety. Specifically, APSC failed to prepare procedures for inspecting and testing each item of pressure control and each overpressure safety device on the TAPS as required by § 195.428(a). Section 195.428(a) states, in part, that operators must "inspect and test each pressure limiting device, relief valve, pressure regulator, or other item of pressure control equipment to determine that it is functioning properly, is in good mechanical condition, and is adequate from the standpoint of capacity and reliability of operation for the service in which it is used." However, PHMSA inspectors observed that APSC's Procedural Manual for Operations, Maintenance and Emergencies (OM-1" Ed.3 Rev. 30) and the specific procedures cross-referenced within the OM-1 described the processes for inspection and testing of relief valves only. Relief valves are only one of several components subject to the inspection and function testing requirements of 195.428(a).

Further, during the inspection, PHMSA observed APSC's OM-1 lacked a process for inspection and testing items of pressure control and overpressure protection associated with TAP's Safety Instrument Pressure Protection System (SIPPS). APSC described SIPPS as an instrumented system controlling pipeline pressure by adjusting the setpoints of the variable speed controls on the pump stations' pumping units and providing overpressure protection by initiating pipeline shutdown processes. Any device that is used in systems or processes that determine the operating pressure of the pipeline is an "other item of pressure control" subject to the requirements of § 195.428(a), as is any device used to shut down the pipeline or slow the pump speeds for overpressure protection purposes.

In addition, APSC's regulated breakout tanks at Pump Station 1 (PS1) and the Valdez Marine Terminal are equipped with gas blanketing systems. Control valves and instruments associated with the gas blanketing systems determine the pressure in the tanks' head space and therefore are items of pressure control. Because these tanks are regulated breakout tanks, the gas blanketing systems are pressure control systems subject to the requirements of § 195.428(a). During the inspection, APSC provided a worksheet showing its process for calibrating the pressure control equipment on breakout tanks at PS1. However, this process was not cross-referenced within OM-1, nor was it being completed at the intervals required by § 195.428(a).

Finally, the OM-1 listed TAPS relief valves in "Table 4. Overpressure Safety Devices Requiring Annual Inspection and Testing (Reference 49 CFR 195.428(a))." However, during the inspection PHMSA found valves that must be included in the list, had not been included. Specifically, PSV 35-0209D and PSV 35-0209S, both located around the Tank 150 suction pump, are TAPS pressure control equipment that must be included on Table 4, but were observed to be missing.

Therefore, APSC must revise its procedures include processes for inspecting and testing each item of pressure control and each overpressure safety device on the TAPS as required by § 195.428(a).

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 Enforcement 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 Alyeska Pipeline Service Company 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 5-2025-013-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 Enforcement Proceedings*

cc: PHP-60 Compliance Registry
PHP-500 J. Gano (#24-298502)
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