

LETTER OF CONCERN

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 9, 1999

Mr. Tom Depke
General Manager
Petroleum Fuel and Terminal Company
1622 South Clinton Street
Baltimore, MD 21224

CPF No. 19601C

Dear Mr. Depke:

On September 22-23, 1998, a representative of the Eastern Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, conducted for the first time an on-site pipeline safety inspection of the Petroleum Fuel and Terminal Company (PF&T) Facilities in Baltimore, Maryland. On October 7, 1998, Mr. Joe Wienecke, PF&T Terminal Manager, faxed to Eastern Region copies of corrosion records for the pipeline surveyed on October 6, 1998, by Toal Associates, Inc. Based on the inspection and the additional information received, we are concerned about the following items:

1. **§ 195.402 Procedural manual for operations, maintenance, and emergencies.**
 - (a) **General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.**

PF&T did not have such procedural manual for operations, maintenance, and emergencies available during OPS audit. PF&T used a "Terminal & Safety Guide" booklet with no date of issuance from the company in ST.Louis, Missouri for operational guideline, and the "Spill Response Plan" according to the 1990 Oil Pollution Act (OPA) for emergency procedures.

2. § 195.412 Inspection of rights-of-way and crossings under navigable waters.

- (a) Each operator shall, at intervals not exceeding 3 weeks, but at least 26 times each calendar year, inspect the surface conditions on or adjacent to each pipeline right-of-way. Methods of inspection include walking, driving, flying, or other appropriate mean of traversing the right-of-way.**

PF&T conducted right-of-way inspections once a month.

During the exit interview, OPS representative also advised PF&T of available resources for consultation from the Transportation Safety Institute regarding pipeline safety regulations.

On February 23, 1999, Eastern Region was notified that a compliance manual which has been tasked to an engineering firm will not be completed for a few more months, but the right-of-way inspection cycle has been revised to meet DOT requirements. Please be advised that an OPS representative from this office will visit PF&T later this year to review right-of-way inspection records, and the new operational, maintenance, and emergencies manual. A field survey of your pipeline cathodic protection will also be conducted with your corrosion contractor. If you have any questions, please contact my office or Phillip Nguyen, my staff engineer at (202) 366-4580.

Sincerely,

William H. Gute
Director, Eastern Region
Office of Pipeline Safety

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