



U.S. Department
of Transportation
**Research and
Special Programs
Administration**

400 Seventh St. S.W.
Washington, D.C. 20590

OCT 30 2003

Mr. Jim Lamanna, President
Amoco Pipelines
801 Warrenville Road
Lisle, Illinois 60532

RE: CPF No. 37506

Dear Mr. Lamanna:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes findings of violation and finds that you have completed the corrective actions proposed in the Notice. This case is now closed. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

Gwendolyn M. Hill
Pipeline Compliance Registry
Office of Pipeline Safety

cc: Larry Abraham, Compliance Coordinator, BP Pipelines
Jim Lucari, Senior Attorney, BP America Inc.
Gerald E. Schau, Manager, HSSE & Integrity, BP Pipelines

Enclosure

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

**DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590**

In the Matter of

AMOCO PIPELINES,

Respondent.

CPF No. 37506

FINAL ORDER

During June 24-28, 1996, representatives of the Central Region, Office of Pipeline Safety (OPS), pursuant to 49 U.S.C. § 60117, conducted an on-site pipeline safety inspection of Respondent's facilities and records at Manhattan, IL. As a result of the inspection, the Director, Central Region, OPS, issued to Respondent, by letter dated January 21, 1997, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. §190.207, the Notice proposed finding that Respondent had committed various violations of 49 C.F.R. Part195. The Notice also proposed that Respondent take certain measures to correct the alleged violations.

In a letter dated February 17,1997, Respondent submitted a Response to the Notice (Response). Respondent contested some of the allegations, offered information in explanation of the allegations and requested a hearing. In a letter dated July 21, 2003, Respondent withdrew its request for a hearing.

FINDINGS OF VIOLATION

Item 1 of the Notice alleged that Respondent violated 49 C.F.R. § 195.401(b), as Respondent's cathodic protection readings for MP 144.490 on its Indy Pipeline were below the minimum protection levels for over three years and appropriate remedial action was not taken within a reasonable time.

In response to Item 1, Respondent argued that the cathodic protection levels during the three year period did not necessarily constitute a condition that could adversely affect the safe operation of a pipeline system. Respondent advised that it took steps to insure adequate cathodic protection by installing a new rectifier and ground bed in the area of MP 146.5 in 1995.

Although Respondent installed a new rectifier and grounded in 1995, no specific testing to verify protection at 71st Street is noted until 1996 and new leads were not scheduled until 1997. The risk of external corrosion on the pipeline significantly increases with inadequate pipe-to-soil potentials and can result in a pipeline failure. Preventive maintenance is critical to safety of the public, environment and property. Consistent low cathodic protection readings indicate that a pipeline is not receiving adequate protection, a condition that could adversely affect the safe operation of a pipeline system. Respondent did not take action within a reasonable amount of time to ensure adequate cathodic protection at MP 144.18 at 71st Street, which was recorded to be at MP 144.49 on the 1994 survey. Respondent has not shown any circumstance that would have prevented or justified it not taking appropriate remedial action within a reasonable time. Accordingly, I find that Respondent violated 49 C.F.R. §195.401(b) by not taking sufficient action within a reasonable time to ensure adequate cathodic protection at 71st Street.

Item 3 of the Notice alleged that Respondent violated 49 C.F.R. § 195.416(b), as test leads required to determine cathodic protection levels were broken on its River Rouge pipeline at four locations. As a result, readings were not taken during the 1994 and 1995 annual pipe-to-soil monitoring periods, at MP 0.740, MP 12.700, MP 121.250, and MP 229.840.

In response to Item 3, Respondent argued it uses sound engineering practices to determine which tests leads are necessary to ensure adequate protection exists. Respondent explained that its procedures call for the use of approximately one mile intervals for test stations. Respondent argued that such intervals provide pipe-to-soil potentials (PSP) in sufficient quantities to determine that effective cathodic protection exists at MP 0.740, MP 12.700, MP 121.250, and MP 229.840. Respondent contended that PSP surveys are not intended to represent 100% of the pipeline surface area. Nevertheless, Respondent advised that it plans to replace tests stations at MP 0.740, MP 121.250, and MP 229.840. Respondent further advised that test station MP 12.700 is redundant and will be deleted off the records database, as the casing and test station have been removed.

The actions taken by Respondent for MP 12.700 are acceptable since the casing and test station have been removed. However, the other test stations, MP 0.740, MP 121.250, and MP 229.840, are not so closely spaced as to warrant that the tests stations would not be of value. Respondent does not deny that the test leads were broken on the River Rouge pipeline at four locations. Accordingly, I find that Respondent violated 49 C.F.R. §195.416(b) by failing to maintain the test leads required for cathodic protection in such a condition that electrical measurements can be obtained to ensure adequate cathodic protection.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

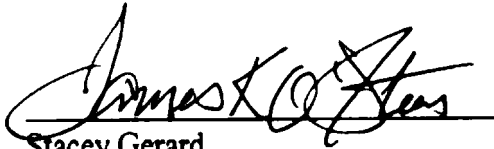
WARNING ITEMS

The Notice did not propose a civil penalty or corrective action for Items 2 and 4 but warned Respondent that it should take appropriate measures to correct the items. Respondent presented information in its response showing that it has addressed these items. Respondent is again warned that if OPS finds a violation in a subsequent inspection, enforcement action will be taken.

COMPLIANCE ORDER

The Notice proposed a Compliance Order with regards to Item 1 and Item 3, violation of 49 C.F.R. §§ 195.401(b) and 195.416(b). Respondent submitted information to show that it has addressed all items in the Proposed Compliance Order. Respondent has completed all of the required corrective actions in the proposed compliance order. The Director, Central Region, OPS has accepted these measures as adequately fulfilling the requirements of the regulations and no further action is needed with respect to a compliance order.

Under 49 C.F.R. § 190.215, Respondent has a right to petition for reconsideration of this Final Order. The petition must be received within 20 days of Respondent's receipt of this Final Order and must contain a brief statement of the issue(s). The terms of the Order, including any required corrective action, shall remain in full effect unless the Associate Administrator, upon written request, grants a stay. The terms and conditions of this Final Order are effective upon receipt.



for Stacey Gerard
Associate Administrator
for Pipeline Safety

OCT 30 2003

Date Issued