



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

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

DEC 23 2003

Mr. Kevin O. Meyers  
President  
Phillips Alaska, Inc.  
700 G Street  
Anchorage, AK 99513

Re: CPF No. 5-2001-0011

Dear Mr. Meyers:

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 actions specified in the Notice required to comply with the pipeline safety regulations. The Final Order also finds that you have addressed the inadequacies in your procedures that were cited 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,

James Reynolds  
Pipeline Compliance Registry  
Office of Pipeline Safety

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

Phillips Alaska, Inc.,

Respondent.

CPF No. 5-2001-0011

**FINAL ORDER**

On October 1-3, 2001, pursuant to 49 U.S.C. § 60117, a representative of the Office of Pipeline Safety (OPS) conducted an on-site pipeline safety inspection of Respondent's facilities and records in Kenai, AK. As a result of the inspection, the Director, Western Region, OPS, issued to Respondent, by letter dated November 19, 2001, a Notice of Probable Violation, Proposed Compliance Order, and Notice of Amendment (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. §§ 192.603(b) and 192.619(b) and proposed that Respondent take certain measures to correct the alleged violations. The Notice also proposed, in accordance with 49 C.F.R. § 190.237, that Respondent amend its procedures for Operations, Maintenance and Emergencies.

The Director, Western Region, OPS granted Respondent an extension to respond to the Notice. Respondent responded to the Notice by letter dated January 12, 2002 (Response). Respondent did not contest the allegations of violation but provided information concerning the corrective actions it has taken and submitted revised procedures. Respondent did not request a hearing and therefore has waived its right to one.

**FINDINGS OF VIOLATION**

In its Response, Respondent did not contest the alleged violations in the Notice. Accordingly, I find that Respondent violated the following sections of 49 C.F.R. Part 192, as more fully described in the Notice:

49 C.F.R. § 192.603(b) -- failing to have documentation identifying the Maximum Allowable Operating Pressure (MAOP) for the Moose Point to Swanson River segment and the Tyonek to Moose Point segment of Respondent's Tyonek Natural Gas Transmission pipeline; and

49 C.F.R. § 192.619(b) -- failing to establish the set points for the pressure relief valves at Moose Point and at Swanson River at levels that would prevent the pipeline from being operated at pressures exceeding the MAOP.

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

### COMPLIANCE ORDER

The Notice proposed a compliance order with respect to the violations of 49 C.F.R. §§ 192.603(b) and 192.619(b) (Items 2 and 3 in the Notice). Under 49 U.S.C. § 60118(a), each person who engages in the transportation of natural gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. The Director, Western Region, OPS has indicated that Respondent has taken the following actions specified in the proposed compliance order:

Respondent has provided evidence that it now indicates the MAOP for the segments identified in the Notice in drawings and in its Operations, Maintenance and Emergencies Manual.

Respondent has lowered the set point of the pressure relief valves at Swanson River and Moose Point to 862 psig and 1035 psig, respectively, preventing the pipeline from being operated at a pressure above MAOP.

Accordingly, since compliance has been achieved with respect to these violations, the compliance terms are not included in this Order.

### AMENDMENT OF PROCEDURES

The Notice alleged inadequacies in Respondent's Operations, Maintenance and Emergencies Manual and proposed to require amendment of Respondent's procedures to comply with the requirements of 49 C.F.R. § 192.605(b).

Respondent submitted copies of its amended procedures, which the Director, Western Region, OPS reviewed. Accordingly, based on the results of this review, I find that Respondent's original procedures as described in Item 1 of the Notice were inadequate to ensure safe operation of its pipeline system, but that Respondent has corrected the identified inadequacies. No need exists to issue an order directing amendment.

  
Stacey Gerard  
Associate Administrator  
for Pipeline Safety

DEC 23 2008

Date Issued