U.S. Department
of Transportation
**Pipeline and
Hazardous Materials Safety
Administration**

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

APR 25 2006

By Federal Express and Telefax: (907-564-4264)

Bernard Looney
Senior Vice President for Alaska Consolidated Team
BP Exploration (Alaska) Inc.
P.O. Box 196612
Anchorage, AK 99519

Re: CPF No. 5-2004-5019M

Dear Mr. Looney:

Enclosed is the Order Directing Amendment issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes a finding of inadequate procedures with respect to Item 1a of the Notice of Amendment and requires that you amend your integrity management program procedures. For the remaining items listed in the Notice of Amendment, the Order finds that with respect to the Notice, no further revisions of your procedures are required. When the terms of the Order are completed, as determined by the Director, Western Region, OPS, this enforcement action will be closed. Your receipt of the Order Directing Amendment constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

James Reynolds
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590

In the Matter of	
BP Exploration (Alaska), Inc.,	**CPF No. 5-2004-5019M**
Respondent	

ORDER DIRECTING AMENDMENT

Between September 24 and 25, 2003, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an inspection of Respondent's Integrity Management Program (IMP) in Anchorage, Alaska. As a result of the inspection, the Director, Western Region, OPS, issued to Respondent, by letter dated February 23, 2005, a Notice of Amendment (NOA). The NOA alleged inadequacies in IMP and proposed to require amendment of Respondent's procedures to ensure safe operation of Respondent's pipeline facility.

Respondent requested a 90 day extension in a letter dated March 1, 2005. OPS granted the extension in a letter dated March 21, 2005; giving Respondent until June 19, 2005 to respond. Respondent responded to the NOA by letter dated May 15, 2005. In its response Respondent did not contest the NOA and did not request a hearing; consequently Respondent waived its right to one. Respondent submitted amended IMP procedures to address the inadequacies cited in the NOA. The Director, Western Region, reviewed the revised procedures. Based on the results of that review, I find that Respondent's original IMP procedures, as described in the NOA, were inadequate to ensure safe operation of its pipeline system, but that Respondent has corrected the inadequacies identified in NOA Items 1b, 1c, 1d, 2, 3, 4a, 4b, 4c, 5a, 5b and 6. Respondent need not make any further revisions based on the NOA with respect to these items.

With respect to Item 1a of the NOA, the Director, Western Region, reviewed the amended procedures. Respondent amended its procedures by incorporating a report entitled "North Slope Pipeline Discharge to Land Analysis." The report was Respondent's justification for exclusion of certain Other Populated Area (OPA) HCAs

from its IMP segment identification.[1] Respondent maintained that DOT's National Pipeline Mapping System (NPMS) is based on 1990 Census data, instead of data from 2000.[2] Respondent therefore continues to identify OPAs based on 1990 Census data. In fact, in 2003 OPS updated the population HCAs in its NPMS to reflect 2000 Census data.[3] Regardless, even if OPS had not updated the NPMS, Respondent is responsible for gathering information on changes in population density near the pipeline directly from Census Bureau maps.[4] Respondent's procedures are inadequate because they do not include OPAs that were expanded as a result of 2000 Census revisions.

Additionally, Respondent continues to exclude work camp populations along its pipelines in its evaluation of potential impacts on populated areas. Respondent presents an unconvincing argument that these camps can be excluded because workers there are trained in emergency procedures. These work camps are often located immediately adjacent to pipelines or pipeline facilities. In the aggregate, hundreds of workers live, sleep and work in or near the camps. Many of these camps are located within Prudhoe Bay OPAs as well as the expanded Town of Deadhorse OPA. Respondent's practice of excluding these work camp populations is inadequate to ensure worker safety.

Respondent continues to fail to document why its pipeline segments could not affect the various OPAs. In the absence of clear evidence that OPAs are not affected, respondent must include all OPAs in its segment identification analysis.

Accordingly, I find Respondent's integrity management program procedures with respect to NOA Item 1a remain inadequate to ensure safe operation of its pipeline system. Pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237, Respondent is ordered to make the following revisions to its integrity management program procedures. Respondent must –

1. Modify its segment identification process to include work camps and any other OPAs on the North Slope or provide, to PHMSA's satisfaction, documentation justifying the exclusion of these areas if there could be no effect on any HCA

2. Perform segment identification based on the most current information available; the 2000 census data.

3. Modify its IMP to include all pipeline segments that are located in any HCA or that otherwise could affect any HCA through overland spread, water transport or any other means.

4. Submit the amended procedures to the Director, Western Region, OPS

[1] BP Alaska Integrity Management Manual, Appendix 1-C
[2] BP Alaska Integrity Management Manual, Section 1.5.2.2
[3] Updates of Digital Mapping Data for Hazardous Liquid Pipeline High Consequence Areas, 68 Fed. Reg. 3092 (Jan. 22, 2003).
[4] 49 C.F.R. §195.452(3)(i)

within 30 days following receipt of this Order Directing Amendment. With respect to the submission of amended procedures, the Director may notify respondent if any or all of the procedures have been amended satisfactorily, or if further modification is necessary, require respondent to modify the submission to cure deficiencies. If the Director finds deficiencies and orders further modification, Respondent must proceed to take all action to correct its procedures to comply with the Director's order. Respondent must correct all deficiencies within the time specified by the Director, and resubmit the procedures for review. If a resubmitted item is disapproved in whole or in part, the Director may again require Respondent to correct the deficiencies in accordance with the foregoing procedure, or the Director may otherwise proceed to enforce the terms of this Order.

The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent demonstrating good cause for an extension.

Failure to comply with this Order may result in the assessment of administrative civil penalties of up to $100,000 per violation per day, or in the referral of the case for judicial enforcement.

The terms and conditions of this Order Directing Amendment are effective upon receipt.

Stacey Gerard
Associate Administrator for Pipeline Safety

APR 25 2006
Date Issued