



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

233 Peachtree Street Ste. 600
Atlanta, GA 30303

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 19, 2007

Rebecca Roberts
President
Chevron Pipeline Company
4800 Fournace Place
Bellaire, TX 77401-2324

CPF No. 2-2007-2001M

Dear Ms. Roberts:

On June 7, 2006, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Chevron Pipeline Company procedures for the operation and maintenance of gas transmission pipelines in New Orleans, Louisiana.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Chevron Pipeline Company's written procedures as described below:

§192.612 Underwater inspection and reburial of pipelines in the Gulf of Mexico and its inlets.

(a) Each operator shall prepare and follow a procedure to identify its pipelines in the Gulf of Mexico and its inlets in waters less than 15 feet (4.6 meters) deep as measured from mean low water that are at risk of being an exposed underwater pipeline or a hazard to navigation. The procedures must be in effect August 10, 2005.

(b) Each operator shall conduct appropriate periodic underwater inspections of its pipelines in the Gulf of Mexico and its inlets in waters less than 15 feet (4.6 meters) deep as measured from mean low water based on the identified risk.

Chevron Pipeline Company Procedure # P-192.612 contains a drawing labeled Figure 1. This drawing shows typical areas that are to be considered affected or not affected by the requirements of 192.612 (a). This drawing is incorrect in many respects.

An area between the mainland and a barrier island is shown as being not applicable to the requirements of 192.612 (a). This type of area is similar to the areas off the coast of Alabama and Mississippi where Chevron operates offshore transmission pipelines. These

pipelines pass under or near coastal barrier islands on route to the Chevron Pascagoula Refinery and the Coden, Alabama meter station. We consider these areas as being a part of the Gulf of Mexico and therefore applicable to the requirements of 192.612 (a).

Two areas that appear to be bays off the coast of the Gulf of Mexico are also shown on the drawing as not applicable, as well as a river containing what appears to be a large ship channel. We consider these areas to be inlets to the Gulf of Mexico and are applicable to the requirements of 192.612 (a).

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance 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). 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 a Final Order.

If, after opportunity for a hearing, 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. § 190.237). 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.

In correspondence concerning this matter, please refer to **CPF 2-2007-2001M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Linda Daugherty
Director, Southern Region
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*