

Mr. Doug Warren
District Superintendent
Marathon Pipe Line Company
Rocky Mountain District
P.O. Box 2330
Casper, WY 82602

Re: CPF 55505

Dear Mr. Warren:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes findings of violation and requires certain corrective action and the revision of certain operating and maintenance procedures. 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

Enclosure

cc: Philip E. Haffenden, Esq.
Findlay, OH office

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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

_____)	
In the Matter of)	
)	
Marathon Pipe Line Company,)	CPF 55505
)	
Respondent.)	
_____)	

FINAL ORDER

On August 21 – 24,1995, pursuant to 49 U.S.C. § 60117, representatives of the Office of Pipeline Safety (OPS) conducted an on-site pipeline safety inspection of Respondent's pipeline facilities and records near Casper, Wyoming. As a result of the inspection, the Director, Western Region, OPS, issued to Respondent, by letter dated December 6, 1995, a Notice of Probable Violation, Notice of Amendment, and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. §§ 195.402, 195.403, 195.406, 195.412, 195.416, 195.418, 195.420, 195.422, and 195.430, 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 in its operations manual. The Notice also warned Respondent to take appropriate corrective action.

Respondent contacted the Western Region office by telephone on December 14, 1995, requested, and was granted an extension of time for submitting its response to the Notice. Respondent responded to the Notice by letter dated February 5, 1996 (Response). Respondent contested several allegations of violation, and requested a hearing. A telephonic hearing was subsequently held by agreement of the parties on May 13, 1996.

FINDINGS OF VIOLATION

Respondent did not contest the following alleged violations. Accordingly, I find that Respondent violated the following sections of 49 C.F.R. Part 195, as more fully described in the Notice:

49 C.F.R. § 195.402(c)(13) -- failing to establish procedures for the periodic review of work done by operator personnel to determine the effectiveness of the procedures used in normal operations and maintenance and taking corrective action where deficiencies are found;

49 C.F.R. § 195.402(d)(5) -- failing to establish procedures for review of personnel to determine the effectiveness of the procedures controlling abnormal operations and taking corrective action where deficiencies are found;

49 C.F.R. §§ 195.406(a)(2) – (4) and 195.406(b) -- failing establish procedures to ensure that the pipeline pressures do not exceed specified levels and to ensure that during surges and other variations from normal operations that the pressure does not exceed 110 percent of the operating pressure limit established under 195.406 (a);

49 C.F.R. § 195.412(b) -- failing to establish written procedures to demonstrate that its onshore pipelines under navigable waterways are inspected at intervals not exceeding five years;

49 C.F.R. § 195.416(f) -- failing to establish written procedures to address the repair, replacement, or pressure reduction of generally corroded pipe based on the actual remaining wall thickness;

49 C.F.R. § 195.416(g) -- failing to establish written procedures to address the repair, replacement, or pressure reduction of pipe based on the actual remaining wall thickness in corrosion pits when localized pitting is found;

49 C.F.R. § 195.418(d) -- failing to establish written procedures to ensure that whenever any pipe is removed from the pipeline: (1) the internal surface is inspected for evidence of corrosion; and (2) any localized corrosion pitting is addressed with repair, replacement, or pressure reduction based on the actual remaining wall thickness in the corrosion pitting;

49 C.F.R. § 195.420(a) -- failing to establish written procedures to ensure that each valve that is necessary for the safe operation of its pipeline system is in good working order at all times;

49 C.F.R. § 195.422(b) -- failing to establish written procedures to ensure that each pipe, valve, or fitting used for replacement in repairing pipeline facilities is designed and constructed as required by this part, specifically as this item relates to § 195.112(c); and

49 C.F.R. §§ 195.430(a) – (c) -- failing to establish written procedures to ensure that adequate firefighting equipment is maintained at each pump station and breakout tank area.

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

WITHDRAWAL OF ALLEGATION

Item 1(j) in the Notice alleged that Respondent violated 49 C.F.R. § 195.416(a), by failing to produce written procedures to indicate that each pipeline under cathodic protection must be tested at least once each calendar year, at intervals not exceeding 15 months. Specifically, the Notice alleged that Respondent could not produce written procedures instructing employees on the steps to take if a casing is determined to be shorted. In its Response, Respondent indicated that its “Operations Manual contains a section entitled ‘Corrosion Control Procedures’ which specifically discusses this point and incorporates by reference a set of Marathon guidelines to determine if a casing is shorted, the nature of the short, and the actions to be taken to correct the problem.” Respondent asserted that by incorporating these procedures by reference, it “satisfied the requirements of the regulation, while maintaining operational flexibility . . . , thereby ensuring that the Operations Manual is up to date even if the guidelines are modified.” (Response, p.3). The foregoing information, submitted in the Response letter and discussed at the hearing, is sufficient to demonstrate that Respondent’s procedures were adequate. Therefore, this allegation of violation is withdrawn.

COMPLIANCE ORDER

Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is hereby ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations.

1. Establish written procedures for the periodic review of work done by operator personnel to determine the effectiveness of the procedures used in normal operations and maintenance, and take corrective action where deficiencies are found, as required by 49 C.F.R. § 195.402(c)(13).
2. Establish written procedures to periodically review your personnel to determine the effectiveness of the procedures controlling abnormal operations, and take corrective action where deficiencies are found, as required by 49 C.F.R. § 195.402(d)(5).
3. Establish written procedures to ensure that pipeline pressures do not exceed specified levels and ensure that during surges and other variations from normal operations that the pressure does not exceed 110 percent of the operating pressure limit established under 195.406(a), as required by 49 C.F.R. §§ 195.406(a)(2) – (4) and 195.406(b).
4. Establish written procedures to demonstrate that your onshore pipelines under navigable waterways are inspected at intervals not exceeding five years, as required by 49 C.F.R. § 195.412(b).

5. Establish written procedures to address the repair, replacement, or pressure reduction of generally corroded pipe based on the actual remaining wall thickness, as required by 49 C.F.R. § 195.416(f).
6. Establish written procedures to address the repair, replacement, or pressure reduction of pipe based on the actual remaining wall thickness in corrosion pits when localized pitting is found, as required by 49 C.F.R. § 195.416(g).
7. Establish written procedures to ensure that whenever any pipe is removed from the pipeline: (1) the internal surface is inspected for evidence of corrosion; and (2) any localized corrosion pitting is addressed with repair, replacement, or pressure reduction based on the actual remaining wall thickness in the corrosion pitting, as required by 49 C.F.R. § 195.418(d).
8. Establish written procedures to ensure that each valve that is necessary for the safe operation of your pipeline system is in good working order at all times, as required by 49 C.F.R. § 195.420(a).
9. Establish written procedures to ensure that each pipe, valve, or fitting used for replacement is designed and constructed as required by this part, as required by 49 C.F.R. § 195.422(b), specifically as this item relates to 49 C.F.R. § 195.112(c).
10. Establish written procedures to ensure that adequate firefighting equipment is maintained at each pump station and breakout tank area, as required by 49 C.F.R. § 195.430(a) – (c).
11. Complete Items 1– 10 within 90 days following receipt of this Final Order.
12. Submit copies of all completed procedures to the Director, Western Region, Office of Pipeline Safety, Research and Special Programs Administration, 12600 W. Colfax Avenue, Suite A250, Lakewood, Colorado 80215.

The Notice further alleged that Respondent’s operations manual did not have written procedures addressing 49 C.F.R. §§ 195.402(c)(1) and 195.403(b)(1) and (2), and alleged violations of these sections. Respondent contested these allegations and presented evidence of the existence of procedures designed to meet these requirements. Based on this evidence and that presented at the hearing, I find that Respondent’s operations manual contained procedures relating to these sections, but that those procedures did not meet the requirements of 49 C.F.R. §§ 195.402(c)(1) and 195.403(b)(1) and (2). These inadequate procedures are addressed below under “Amendment of Procedures.”

AMENDMENT OF PROCEDURES

The Notice alleged inadequacies in Respondent's operations manual, and proposed to require amendment of Respondent's procedures to comply with the requirements of 49 C.F.R. § 195.402.

I find that Respondent's procedures are inadequate to ensure the safe operation of its pipeline system. Pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237, Respondent is hereby ordered to make the following changes to its procedures.

1. Amend the procedures in your operations manual to conform with 49 C.F.R. § 195.402(c)(1). These procedures should identify all information, including any maps and records, that must be reviewed prior to the excavation and repair of any pipeline. In addition, these procedures should explain the procedure to be followed when personnel are replaced to ensure continuity in pipeline operations.
2. Amend the procedures in your operations manual to conform with 49 C.F.R. § 195.402(c)(12). The Notice indicated that Respondent would be required to hold face-to-face meetings with fire, police, and other appropriate public officials on an annual basis. After further consideration, it has been determined that Respondent need only amend its procedures to ensure face-to-face meetings based on the current three-year cycle. These procedures should specify that meetings with fire, police, and other appropriate public officials must be conducted in person.
3. Amend the procedures in your operations manual to conform with 49 C.F.R. § 195.403(b)(1) and (2). These procedures should specify that during the review of training procedures, employees may provide feedback concerning the adequacy of training, and that employees' comments will be taken into consideration when the review is completed.
4. Amend the procedures in your operations manual to conform with 49 C.F.R. § 195.410(a)(2). These procedures should specify that line markers must be placed and maintained over each buried pipeline.
5. Amend the procedures in your operations manual to conform with 49 C.F.R. § 195.420(b). These procedures should include greater detail concerning the requirement to inspect mainline valves at least twice each calendar year, at intervals not exceeding 7½ months.
6. Complete Items 1 – 5 within 90 days following receipt of this Final Order.
7. Submit copies of all completed procedures to the Director, Western Region, Office of Pipeline Safety, Research and Special Programs Administration, 12600 W. Colfax Avenue, Suite A250, Lakewood, Colorado 80215.

WARNING ITEM

The Notice did not propose a civil penalty for Item 1(h), for failure to inspect a right-of-way within the required three week interval, as required by 49 C.F.R. § 195.412(a). The information that Respondent presented in its Response and at the hearing shows that Respondent has addressed this item. However, Respondent is warned that should a similar violation come to the attention of OPS in a subsequent inspection, enforcement action will be taken.

Under 49 U.S.C. § 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 filing of the petition automatically stays the payment of any civil penalty assessed. All other terms of the order, including any required corrective action, shall remain in full effect unless the Associate Administrator, upon request, grants a stay.

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

/s/Richard B. Felder
Richard B. Felder
Associate Administrator
For Pipeline Safety

Date Issued: 03/02/98