U.S. Department of Transportation Office of the Secretary of Transportation Office of Inspector General

Memorandum

Subject: INFORMATION: Audit Announcement—Integrity Threats to Hazardous Liquid Pipelines Pipeline and Hazardous Materials Safety Administration Project No. 05A3009A000

> David A. Dobbs Assistant Inspector General for Aviation and Special Programs Audits

Reply to Attn of: JA-10

Date: July 13, 2005

To: Stacey L. Gerard

From:

Acting Assistant Administrator/Chief Safety Officer, Pipeline and Hazardous Materials Safety Administration

The Office of Inspector General plans to conduct an audit of the Office of Pipeline Safety's (OPS) oversight of hazardous liquid pipeline operators' processes for mitigating and/or repairing pipeline integrity threats. OPS initiated the integrity management program in 2000 after an analysis of several pipeline ruptures highlighted the need for continuous assessments of hazardous liquid pipeline segments. Our audit objectives will be to assess: (1) actions taken by pipeline operators to remediate integrity threats, and (2) OPS efforts to verify the adequacy of these corrective actions.

The audit will include visits to OPS Headquarters and regional offices, state regulatory offices, and pipeline operator facilities. We also plan to contact relevant trade associations and other groups, as deemed necessary. We plan to start this audit the week of August 1, 2005. We will contact your audit liaison to schedule an entrance date to discuss the planned audit. The Program Director for the project is Darren Murphy, and the Project Manager is Jerrold Savage.

If you have any questions or require additional information concerning the audit, please call Mr. Savage at (206) 220-6511 or Mr. Murphy at (206) 220-6503.

cc: Laura Birkhimer, PHA-30 Martin Gertel, M-1