

DEPARTMENT OF TRANSPORTATION**Pipeline and Hazardous Materials Safety Administration**

[Docket No. PHMSA-04-19856]

Pipeline Safety: Lessons Learned From a Security Breach at a Liquefied Natural Gas Facility

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT.

ACTION: Notice; Issuance of Advisory Bulletin.

SUMMARY: This advisory reminds operators of the need for vigilance in providing security at liquefied natural gas (LNG) facilities. PHMSA's pipeline safety regulations require operators to implement security measures that deter intruders at LNG terminals, facilities, and peak-shaving plants. This Advisory Bulletin reinforces the importance of effectively implementing and thoroughly testing security procedures and systems.

ADDRESSES: This document can be viewed on the PHMSA home page at: <http://www.phmsa.dot.gov>.

FOR FURTHER INFORMATION CONTACT: Joy Kadnar at (202) 366-0568, or by e-mail at Joy.Kadnar@dot.gov; or Buddy Secor at (571) 227-1306, or by e-mail at Buddy.Secor@dhs.gov.

SUPPLEMENTARY INFORMATION:**I. Background**

PHMSA's pipeline safety regulations require operators to implement security measures that deter intruders. These measures include written procedures, protective enclosures, security communication, lighting, and monitoring (49 CFR part 193, subpart J). Operators must use staff who have been trained to carry out security duties through means that include security training (49 CFR 193.2709 and 2715). Operators need to implement these measures in ways that ensure personnel and systems detect trespassers and respond correctly.

LNG Facility Security: Lessons Learned From the Security Breach in Lynn, MA

A recent breach in security at an LNG facility shows the need for preparedness and vigilance. The operator discovered a breach of security at its LNG facility during routine maintenance on a gate at the side of the storage tank. Although there was no damage to the tank, intruders had broken through the gate to gain access to the tank.

Investigation revealed that the intruders had cut through the outer and

inner perimeter fences and through the locked gate and gained access to the storage tank several days before the breach was discovered. A microwave intrusion system documented the intrusions on the computer monitoring system, which should have alerted operator personnel to the intrusions. Operator personnel did not respond. In the days following, personnel conducted several routine visual inspections of the area without noting the cuts in the fences. Although there was also video surveillance of the perimeter, personnel did not review the tape until they investigated the breach.

State authorities responded quickly to examine security at other LNG facilities in the state. These authorities inspected operator practices and procedures to ensure personnel and systems respond correctly during a security breach.

II. Advisory Bulletin (ADB-06-04)

To: Owners and Operators of LNG Plants That Contain LNG.

Subject: Security at LNG facilities.

Advisory: The pipeline safety regulations require an operator of LNG facilities in a plant containing LNG to develop and follow written procedures for security at the LNG plant. Operators need to verify the reliability and feasibility of security procedures and systems. Operators also need to ensure personnel and systems respond correctly when security is compromised.

LNG Facility Security: Lessons Learned from the Security Breach in Lynn, MA

PHMSA recommends LNG facility operators establish and follow these suggested practices and procedures to ensure that their security measures function as intended by the regulations, and that security at their LNG plants is rigorous:

- Test systems thoroughly to verify that alarms work and that monitoring devices function as intended;
- Ensure remotely stationed personnel are properly trained on the security procedures of each facility that they monitor;
- Determine whether personnel monitoring security for an LNG plant can realistically respond to security breaches in a timely manner;
- Update security procedures as needed to provide effective security at the LNG plant and to incorporate the most relevant threat information;
- Confirm that remote monitoring station personnel properly coordinate activities with those parties responsible for LNG plant facility security; and,
- Independently audit LNG plant security or conduct unannounced tests

of security systems, procedures, and personnel.

Authority: 49 U.S.C. chapter 601; 49 CFR 1.53.

Issued in Washington, DC, on December 22, 2006.

Theodore L. Willke,

Acting Associate Administrator for Pipeline Safety.

[FR Doc. E6-22323 Filed 12-27-06; 8:45 am]

BILLING CODE 4910-60-P

DEPARTMENT OF TRANSPORTATION**Pipeline and Hazardous Materials Safety Administration**

[Docket No.: PHMSA-97-2995]

Pipeline Safety: Random Drug Testing Rate

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT.

ACTION: Notice of minimum annual percentage rate for random drug testing.

SUMMARY: PHMSA has determined that the minimum random drug testing rate for covered employees will remain at 25 percent during calendar year 2007.

DATE: Effective January 1, 2007, through December 31, 2007.

FOR FURTHER INFORMATION CONTACT:

Cindy Ingrao, Director, Drug and Alcohol Policy and Investigations, PHMSA, U.S. Department of Transportation, 400 Seventh Street, SW., Room 8406, Washington, DC 20590, telephone (202) 366-2350 or email cindy.ingrao@dot.gov.

SUPPLEMENTARY INFORMATION: Operators of gas, hazardous liquid, and carbon dioxide pipelines and operators of liquefied natural gas facilities must select and test a percentage of covered employees for random drug testing. Pursuant to 49 CFR part 199.105(c)(2), (3), and (4), the PHMSA Administrator's decision on whether to change the minimum annual random drug testing rate is based on the reported random drug test positive rate for the pipeline industry. The data considered by the Administrator comes from operators' annual submissions of Management Information System (MIS) reports required by 49 CFR part 199.119(a). If the reported random drug test positive rate is less than 1.00 percent, the Administrator may continue the minimum random drug testing rate at 25 percent. In 2005, the random drug test positive rate was less than 1.00 percent. Therefore, the minimum random drug testing rate will remain at 25 percent for calendar year 2007.

In reference to the notice published in 70 FR 20800, PHMSA intends to publish an Advisory Bulletin specifying the methodology for reporting calendar year 2007 MIS contractor data to PHMSA. Therefore, operators must ensure records on contract employees continue to be maintained in calendar year 2007.

Authority: 49 U.S.C. 5103, 60102, 60104, 60108, 60117, and 60118; 49 CFR 1.53.

Issued in Washington, DC on December 20, 2006.

Thomas Barrett,

Administrator, Pipeline and Hazardous Materials Safety Administration.

[FR Doc. E6-22295 Filed 12-27-06; 8:45 am]

BILLING CODE 4910-60-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34943]

Beaufort Railroad Company, Inc.— Modified Rail Certificate

On December 1, 2006, Beaufort Railroad Company, Inc. (BRC), a subsidiary of the South Carolina Division of Public Railways (SCDPR), filed a notice for a modified certificate of public convenience and necessity under 49 CFR part 1150, Subpart C, *Modified Certificate of Public Convenience and Necessity*, to operate approximately 25.05 miles of rail line extending from milepost AMJ-443.26, in Yemassee, to milepost AMJ-468.31, in Port Royal, SC.

BRC states that the line was formerly owned by the Seaboard System Railroad, Inc., and was authorized for abandonment by the Interstate Commerce Commission in *Seaboard System Railroad, Inc.—Abandonment—in Beaufort County, SC*, Docket No. AB-55 (Sub-No. 110) (ICC served Aug. 23, 1984). Although authorized for abandonment, the line was subsequently acquired by the South Carolina State Ports Authority (SCSPA) and leased to the South Carolina Public Railways Commission (SCPRC), which is now under SCDPR.¹ Tangent Transportation Company, Inc., a wholly owned subsidiary of SCPRC, operated the line until 2003. Since then, SCSPA has maintained the right-of-way (ROW).

As operator of the line, BRC will provide freight services on an “as required basis,” pursuant to an operating agreement with SCSPA and

SCDPR.² Under the agreement, BRC and SCSPA agree to a 1-year period for operation, commencing from October 12, 2006, and continuing from year to year thereafter, until terminated in accordance with the operating agreement and Board regulations. According to BRC, it does not expect to make any interchange or interline connections with any connecting railroads.

The rail segment qualifies for a modified certificate of public convenience and necessity. *See Common Carrier Status of States, State Agencies and Instrumentalities and Political Subdivisions*, Finance Docket No. 28990F (ICC served July 16, 1981).

BRC indicates that commencement of operations will be contingent upon shippers entering into binding written commitments for a sufficient volume of carloads per year (an amount judged adequate to cover all costs associated with maintenance, track materials, and operations of the line).

BRC states that SCSPA will maintain third party liability insurance coverage in an amount of not less than \$5,000,000 to cover any and all claims arising solely from the existence of hazards presented by the rail line or the property upon which the rail line is located. BRC also states that, prior to commencement of railroad operations, it will acquire and maintain third party liability insurance coverage in an amount of not less than \$5,000,000 to cover any and all claims arising solely from its acts, works, and operations with respect to the rail line and the property upon which the rail line is located.

This notice will be served on the Association of American Railroads (Car Service Division) as agent for all railroads subscribing to the car-service and car-hire agreement: Association of American Railroads, 50 F Street, N.W., Washington, DC 20001; and on the American Short Line and Regional Railroad Association: American Short Line and Regional Railroad Association, 50 F Street, N.W., Suite 7020, Washington, DC 20001.

Board decisions and notices are available on our Web site at <http://www.stb.dot.gov>.

Decided: December 20, 2006.

By the Board, David M. Konschnik,
Director, Office of Proceedings.

Vernon A. Williams,
Secretary.

[FR Doc. E6-22289 Filed 12-27-06; 8:45 am]

BILLING CODE 4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34973]

Burlington Shortline Railroad, Inc., d/b/ a Burlington Junction Railway—Lease and Operation Exemption—BNSF Railway Company

Burlington Shortline Railroad, Inc., d/b/a Burlington Junction Railway (BJRY), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to lease and operate, pursuant to an agreement with BNSF Railway Company (BNSF), approximately 1.2 miles of railroad properties consisting of certain trackage, real property, and railroad operating rights. The rail properties consist of five tracks, numbered 2001, 2002, 2003, 2012, and 2013, located at Ottumwa, IA. There are no mileposts.

Based on projected revenues for the line, BJRY expects to remain a Class III rail carrier. BJRY certifies that its projected annual operating revenues as a result of the transaction will not exceed \$5 million. The transaction is expected to be consummated on January 14, 2007.

If the verified notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34973, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on: (1) for BJRY, John D. Heffner, John D. Heffner, PLLC, 1920 N Street, N.W., Suite 800, Washington, DC 20036; and (2) for BNSF, Sarah Bailiff, 2650 Lou Menk Drive, Fort Worth, TX 76131.

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www.stb.dot.gov.**

Decided: December 20, 2006.

By the Board, David M. Konschnik,
Director, Office of Proceedings.

Vernon A. Williams,
Secretary.

[FR Doc. E6-22137 Filed 12-27-06; 8:45 am]

BILLING CODE 4915-01-P

¹ According to BRC, SCDPR is a division of the South Carolina Department of Commerce, and SCSPA is also an instrumentality of the State of South Carolina.

² According to BRC, both SCSPA and SCDPR intend to maintain the ROW, with SCDPR providing service through BRC.