



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 16, 2015

Mr. Todd Denton
President
Phillips 66 Pipeline LLC
3010 Briarpark Drive
PWC-7109
Houston, TX 77042

CPF 5-2015-5012M

Dear Mr. Denton:

Between March 2014 and December 2014, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Phillips 66 Pipeline LLC's (Phillips 66) Glacier Crude Pipeline System in Montana.

On the basis of the inspection, PHMSA has identified the apparent inadequacy found within Phillips 66's plans or procedures, as described below:

1. §195.402 Procedural manual for operations, maintenance, and emergencies.

(a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of

a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.

(c) *Maintenance and normal operations.* The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:

(3) *Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.*

Phillips 66 Pipeline LLC did not establish adequate written procedures for performing overpressure safety device inspections in accordance with Section 195.428(a). During the inspection, it was determined through discussion with various Phillips 66 operating personnel that the technicians performing overpressure safety device (OSD) inspections are required to check the Operating Data (OD) sheets to identify the correct set point for each OSD device and subsequently record that value on the appropriate OSD inspection form prior to performing the OSD inspections. It was then determined that the procedure and forms for inspecting OSDs were not clear in this regard. As a result, Phillips 66 must modify the following procedures and related inspection forms to clarify the steps necessary for a technician to identify the correct set point for each OSD and to include that set point information on the Phillips 66 OSD inspection forms:

MPR 4216 Calibration and Maintenance of Pressure Switches

MPR 4225 Inspection and Maintenance of Pressure Regulation Systems

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 60 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.

It is requested (not mandated) that Phillips 66 Pipeline LLC maintain documentation of the

safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Chris Hoidal, Director, Western Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 5-2015-5012M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Hoidal", written in a cursive style.

Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

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

cc: PHP-60 Compliance Registry
PHP-500 M. Petronis (#146290)