

820 Bear Tavern Road, Suite 103 West Trenton, NJ 08628 **609.989.2171**

NOTICE OF PROBABLE VIOLATION and PROPOSED CIVIL PENALTY

UPS OVERNIGHT DELIVERY

August 19, 2013

Mr. Wayne Simmons, VP Operations Plantation Pipe Line Company 1001 Louisiana St, Suite 1000 Houston, TX 77002

CPF 1-2013-5018

Dear Mr. Simmons:

On September 13, 2012, a State Inspector from the Virginia State Corporation Commission (VA SCC) acting as Agent for the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your Plantation Pipe Line Company (PPL) pipeline facilities in Roanoke, Virginia.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

1. § 195.410 Line markers.

- (a) Except as provided in paragraph (b) of this section, each operator shall place and maintain line markers over each buried pipeline in accordance with the following:
- (1) Markers must be located at each public road crossing, at each railroad crossing, and in sufficient number along the remainder of each buried line so that its location is accurately known.

PPL's Roanoke pipeline did not have a sufficient number of line markers to accurately know the buried pipeline location near public road crossings.

PPL failed on two occasions to have a sufficient number of line markers over the buried pipeline so that its location is accurately known off of Retreat Road in Franklin County, Virginia and Crooked Oak Road in Franklin County, Virginia.

VA SCC inspector was conducting a field inspection of the PPL Roanoke Lateral and observed two sites off public roads, where there were an insufficient number of line markers in nearby uncultivated pasture land to accurately determine the location of the pipeline. The VA SCC inspector later observed that PPL installed additional line markers in the areas noted.

2. § 195.567 Which pipelines must have test leads and what must I do to install and maintain the leads?

(c) *Maintenance*. You must maintain the test lead wires in a condition that enables you to obtain electrical measurements to determine whether cathodic protection complies with § 195.571.

PPL failed to maintain test lead wires in a condition to obtain electrical measurements to determine whether cathodic protection complies with §195.571, during the 2011 and 2012 PPL annual survey.

PPL failed on one occasion to maintain the test lead wire at station number 2180+19, in a condition to obtain electrical measurements to determine whether cathodic protection complies with §195.571, off of Bethlehem Road in Franklin County, Virginia.

The VA SCC inspector was conducting a field inspection of the PPL Roanoke Lateral and found one occasion where there was a test lead wire at station number 2180+19 along Bethlehem Road in Franklin County, VA that had not been maintained in a condition to obtain electrical measurements for two consecutive annual surveys for 2011 and 2012.

Proposed Civil Penalty

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a related series of violations. The Compliance Officer has reviewed the circumstances and supporting documentation involved in the above probable violations and has recommended that you be preliminarily assessed a civil penalty of \$57,600 as follows:

<u>Item number</u>	PENALTY
1	\$28,900
2	\$28,700

Response to this Notice

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. All material submit in response to this enforcement action may be 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.

In your correspondence on this matter, please refer to CPF 1-2013-5018 and for each document you submit, please provide a copy in electronic format whenever possible, and please whenever possible provide a signed PDF copy in electronic format. Smaller files may be emailed to Byron.Coy@dot.gov. Larger files should be sent on a CD accompanied by the original paper copy to the Eastern Region Office.

Sincerely,

Byron Coy, PE

Director, Eastern Region

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Pipeline and Hazardous Materials Safety Administration

Cc: James Hotinger, VA SCC Jim Fisher, VA SCC

Enclosure: Response Options for Pipeline Operators in Compliance Proceedings