PLAINS
PIPELINE, L.P.

July 2, 2012

**Federal Express 7985 6704 2682 and Electronic Mail**

Mr. R.M. Seeley
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration
8701 South Gessner, Suite 1110
Houston, Texas 77074

**Re: Response to Notice of Probable Violation and Proposed Compliance Order; CPF 4-2012-5020**

Dear Mr. Seeley:

This letter responds to the Notice of Probable Violation and Proposed Compliance Order (CPF 4-2012-5020) (NOPV/PCO) issued to Plains Pipeline, L.P. (Plains) regarding certain alleged violations of the Pipeline and Hazardous Materials Safety Administration (PHMSA) Pipeline Safety Regulations, Title 49, Code of Federal Regulations.[1] Plains is committed to operating its pipeline system safely and in accordance with applicable regulatory requirements. Moreover, we are committed to working with PHMSA to resolve this matter in a timely and equitable manner.

As recognized in the NOPV/PCO, the tanks at issue are not owned by Plains. The tanks are owned by ConocoPhillips and Valero, which own/operate the Alliance and Murphy refineries, respectively. Accordingly, this presents practical challenges to Plains' ability to access, inspect and test the equipment.

We understand that historically the U.S. Department of Transportation (DOT) and U.S. Environmental Protection Agency (EPA) have sought to coordinate their authority under the Clean Water Act to regulate facilities with both transportation- and non-transportation-related activities, as evidenced by the 1971 Memorandum of Understanding (MOU).[2] In order to clarify jurisdictional issues and establish mutual goals, including "that as many facilities as possible are subject to single jurisdiction in the interest of regulatory efficiency," DOT's Office of Pipeline Safety and EPA entered into a Memorandum of Agreement (MOA) in 2000. This February 4, 2000, memorandum, which is often referred to as the Felder/Luftig Memo, provides "practical examples of complex facilities showing jurisdictional delineation to minimize potential confusion

[1] This letter follows on our June 8, 2012 letter in which we requested an additional 21 days (i.e., until July 3, 2012) to submit an appropriate response to the NOPV/PCO. Plains received confirmation on July 19, 2012 that PHMSA had granted this request.
[2] See, e.g., 1971 MOU between DOT and EPA on Transportation-Related Facilities.

over regulatory responsibility."[3] Over the years, it has been the general understanding of Plains and other members of the industry, that the jurisdictional delineation illustrated in Attachment 3 of the MOA applied in circumstances such as here, where following a valve, each tank is connected to the main line (in this case, owned/operated by Plains) by a single line with no return from the storage tank to the pipeline.

The tanks at issue in the NOPV/PCO are used to receive product from the main pipeline for subsequent transfer/processing within the refineries. To the extent that any product was relieved through the valve, such product was purchased by the refinery for further use.[4] No product has been re-injected from the tanks into the PHMSA-regulated pipeline operated by Plains. Indeed, until issuance of the above-referenced NOPV/PCO, PHMSA inspectors who visited the facilities have recognized the tanks as being non-PHMSA jurisdictional tanks.[5] In short, it has been the understanding of Plains and the tank owners, as confirmed by prior PHMSA inspections that these specific tanks properly were storage tanks subject to EPA regulations applicable to non-transportation-related facilities.

Since receiving the PHMSA notice, we have been actively working with the tank owners to determine how best to address the compliance obligations noted in the NOPV/PCO. As part of this effort Plains requested records and documentation pertaining to the inspection history and testing of this equipment. The refineries are still in the process of compiling available inspection/testing records and providing them to Plains. We expect this process to be completed shortly and, at that point, we will be able to forward available records to PHMSA.

Plains has reviewed its program to monitor and mitigate internal corrosion on the Arklatex Pipeline system. This review included an evaluation to determine the need for additional coupon monitoring locations and a review of our pigging procedures, including sample collection, monitoring, and record keeping activities. The results of this review are provided under item 3, below.

With respect to the specific requirements of the PCO, we offer the following:

1. Tank and Overfill Protection Systems Inspection and Testing – As noted above, available records pertaining to inspections and testing of the tanks and overfill protection systems are still being compiled. We anticipate having those ready for submission to PHMSA in the near future. Because Plains does not own the tanks at issue, we have been exploring various options to address the first item of the PCO, including (1) obtain assurance that the refinery owners will perform any required inspections/testing; (2) secure site access agreement with refinery owners so Plains employees and/or contractors

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[3] http://phmsa.dot.gov/staticfiles/PHMSA/DownloadableFiles/2000_DOT_EPA.pdf

[4] In the past 5 years we have less than 1 barrel of product relieved from the pipelines into the refinery tanks.

[5] See, e.g., Attachment 1 -- Standard Inspection Report (11/17/03 – 11/21/03) on the BOA-CAM Pipeline System. PP 17, 22 and 25 of the Report memorialize the OPS inspector's determination that no breakout tanks were present.

could perform necessary inspections/tests; or (3) acquire additional property such that the tanks could be located on property owned/controlled by Plains to eliminate access issues.

Option 3 was eliminated after further due diligence revealed there is inadequate space to locate the tanks on existing property owned/controlled by Plains and additional property is not readily available for acquisition in the requisite locations. Moreover, Option 3 likely would take significantly longer than 360 days to implement at cost well above $1,000,000 per tank.

Accordingly, based on our preliminary discussions with the refineries, we intend to move forward with one of the first two options. In particular, Plains intends to either secure confirmation that the refineries will conduct any required inspections/testing and make results available to Plains in a timely manner <u>or</u> negotiate access agreements that will provide Plains with the ability to conduct its own inspections and testing of the tanks and overfill protection systems.

There remain challenges with implementing either approach, including negotiating the terms of the agreements and ensuring that both PHMSA and EPA requirements are addressed. Thus, as discussed further below, Plains will need some additional time to complete this work. Once these agreements are in place, Plains will be in the position to ensure that any required inspections and testing of the equipment per 49 C.F.R. §§ 195.428 and 195.432 are being conducted.

<u>2.</u> N/A

<u>3.</u> <u>Internal Corrosion Mitigation</u> – Following the 2011 audit of the Arklatex Pipeline system, a review of the internal corrosion monitoring and mitigation program for this pipeline resulted in the following changes:

- A new coupon holder and coupon were installed at the Longwood Junction and the Longwood and Ark-La- Tex pipelines . This new coupon location will provide more representative internal corrosion rates. The previous location was left in place and will continue to be monitored. (See <u>Attachment 2</u> for photos showing new coupon location piping)
- The coupon holder at the Calumet Refinery was modified to eliminate sediment buildup in the holder to water samples to be obtained. (See <u>Attachment 3</u> for photos showing the modified piping)
- A new contractor with specialized expertise/experience regarding internal pipeline corrosion and processes for monitoring internal corrosion has been engaged to perform the chemical analyses. The protocol for water sample analysis has been augmented to include monitoring for both sulfate reducing and acid producing bacteria.
- We are updating our coupon monitoring record keeping practices to assure that duplicate records are maintained independent of those held by chemical contractor.

4. Timing – Plains desires additional time to put in place the measures referenced in items 1 and 3, above. More specifically, we request that the "90 days" provided in item 4 of the PCO be modified to "270 days" to allow adequate time to negotiate the requisite agreements with the refineries, review/update existing policies and programs, as warranted, and conduct any required inspections. Given the positive safety history of the tanks/systems at issue and the long history of apparent confusion with respect to jurisdictional issues regarding the tanks, we trust that PHMSA will find this request acceptable.

5. Documentation – Plains will seek to compile documentation of the safety improvement costs associated with satisfying the terms of the Compliance Order as described in item 5 of the PCO. Upon compilation, this information will be reported to PHMSA.

We would welcome the opportunity to meet with PHMSA prior to the issuance of a Final Order to discuss our plan to address these issues. We trust that PHMSA will find this response acceptable. Should you have any immediate questions or desire additional information, please do not hesitate to contact me.

Sincerely,

Troy E. Valenzuela

Troy E. Valenzuela
Vice-President, EH&S

Enclosures

cc: W. Fusilier
M. Kelly
J. Janak

# ATTACHMENT 1

## PHMSA STANDARD INSPECTION REPORT(11/17/03 – 11/21/03)
## BOA-CAM PIPELINE SYSTEM

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**Name of Operator:** BP Pipelines (North America), Inc.

**H.Q. Address:**
BP Pipelines (North America), Inc.
28100 Torch Parkway
Suite 700
Lisle, IL 60532

**Co. Official:** Jim Lamanna
**Phone No.:** 630-836-3452
**Fax No.:** 630-836-3588
**Emergency Phone No.:** 1-800-548-6482
**OPINS ID#:** 31189

**System/Unit Name and Address:**
BP Pipelines (North America), Inc.
BOA and CAM Pipelines
1901 Engineers Road
Belle Chase, LA 70037

**Phone No.:** 504-393-6280
**Fax No.:** 504-394-2652
**Emergency Phone No.:** 1-800-548-6482
**Unit Record ID#:** 46994
**Activity Record ID#:** 102668

| Persons Interviewed | Titles | Phone No. |
|---|---|---|
| Mark P. Buteau | Compliance Coordinator | 337-735-5303 |
| Al Davis | Belle Chasse Team Leader | 504-393-6282 |
| Barry C. Duff | District Engineer | 281-366-6567 |
| Al D'Aquin | Corrosion Specialist | 228-696-0120 |
| Rusty J. Cavalier | Corrosion Specialist | 504-393-6289 |
| | | |
| | | |

**OPS Representative(s):** Patrick Gaume **Date(s):** 11/17/03 – 11/21/03

**Company System Maps (copies for Region Files):** Map dated 8-31-01 is referenced.

**Comments:**

**For hazardous liquid operator inspections, the attached evaluation form should be used in conjunction with 49 CFR 195 during OPS inspections.**

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**Name of Operator:** BP

| **H.Q. Address:** | **System/Unit Name and Address:** |
|---|---|
| **Co. Official:** | **Phone No.:** |
| **Phone No.:** | **Fax No.:** |
| **Fax No.:** | **Emergency Phone No.:** |
| **Emergency Phone No.:** | **Unit Record ID#:** |
| **Operator ID#:** | **Activity Record ID#:** |

| Persons Interviewed | Titles | Phone No. |
|---|---|---|
| MARK BUREAU | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

**OPS Representative(s):** **Date(s):**

**Company System Maps (copies for Region Files):**

**Unit Description:**

**Portion of Unit Inspected:**

**For hazardous liquid operator inspections, the attached evaluation form should be used in conjunction with 49 CFR 195 during OPS inspections.**

| HVL PIPELINE TESTING SUMMARY | N/A | Yes | No |
|---|---|---|---|
| 1. Do the operator's pipelines transport HVLs? | | | ✓ |
| 2. Has the operator pressure tested the following "older" HVL pipelines per subpart E; or, for pipelines that have not been converted under 195.5, has the operator established these pipelines' MOP's per 195.406(a)(5) [80% of the 4 hour documented test pressure, or 80% of the 4 hour documented operating pressure]? **The pressure test and MOP establishment (195.406(a)(5)) deadlines for the below listed lines have passed.** | ✓ | | |
| a. Onshore non low stress Interstate Lines in HVL service prior to 9/8/80 and constructed prior to 1/8/71. | ✓ | | |
| b. Onshore non low stress Intrastate Lines in HVL service prior to 4/23/85 and constructed prior to 10/21/85. | ✓ | | |
| c. Low stress lines in HVL service that existed on 7/12/94, or ones that were constructed before 8/11/94. | ✓ | | |

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

## PIPELINE INFORMATION

**Boundaries of Unit:**

**Pipelines and Pumping Stations in Unit:**

| Miles of Pipeline: | Protected | | | | Unprotected | | | |
|---|---|---|---|---|---|---|---|---|
| Steel Bare | | | | | | | | |
| Steel Coated | | | | | | | | |
| Other | | | | | | | | |

**Breakout Tank Facilities:**

NONE

**Offshore Facilities:**

ORIGINATES IN LA. STATE WATERS

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

S - Satisfactory　　U - Unsatisfactory　　N/A - Not Applicable　　N/C - Not Checked

| | Conversion to Service | S | U | N/A | N/C |
|---|---|---|---|---|---|
| .5 | Has a written procedure been developed addressing all applicable requirements and followed? | | | ✓ | |

Comments *(If the above is Unsatisfactory, please indicate why)*:
DESIGNED & BUILT FOR CRUDE OIL SVC.

| | | Subpart B - Reporting Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402 (c)(2) | | Does the operator have procedures for gathering data needed for reporting accidents under Subpart B of this part in a timely and effective manner? OMER I 2-4 C | ✓ | | | |
| | .50 | Does the operator file accident reports as required under 195.50? Under certain conditions, a release of more than 5 gals, or more is reported. OMER I 2-4 C | ✓ | | | |
| | .52 | Are certain incidents telephonically reported to the National Response Center? 2-4 C | ✓ | | | |
| | .54 | Are the incidents reported by telephone followed up with a 30-day written report? DIST COMMITT | [illegible] | FOR | 7000-1 | INSTR |
| .402(f) | | Does the operator have procedures for recognizing and discovery of safety-related conditions? | 3-13B | | | |
| | .55 | If the operator reported a safety-related condition, did they use the proper criteria? | 3-13C | | | |
| | .56 | Is there a procedure for reporting safety-related conditions? | | | | |
| | .56(a) | Was the report filed within five (5) working days of the determination and within ten (10) working days after discovery? | 3-13D | | | |
| | .56(b) | Was proper corrective action taken? | 3-13D | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why)*: OMER I 3-13

| | | Subpart C - Passage of Internal Inspection Device Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(c)/ .422 | .120(a) | Has each new pipeline or each section of a pipeline which pipe or components has been replaced been designed and constructed to accommodate the passage of instrumented internal inspection devices that are applicable to this section? OMER I 3-08 D | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why)*:

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory U - Unsatisfactory N/A - Not Applicable N/C - Not Checked**

| | | Subpart D - Welding Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| | | **Compliance with welding requirements for pipe replaced or repaired in the course of pipeline maintenance is required by §195.422, as well as §195.200.** | | | | |
| .402(c)/ .422 | .214(a) | Is the welding performed in accordance with welding procedures qualified to produce welds meeting the requirements of this Subpart? OMEI I P-175.214 | ✓ | | | |
| | | Has the quality of the test welds to qualify the procedures been determined by destructive testing? P-175.214-C | ✓ | | | |
| | .214(b) | Is each welding procedure recorded in detail? OMEI I P-175.214 C.1.9 | ✓ | | | |
| | | Are welding procedures qualified in accordance with a standard that is accepted by the industry? (API 1104, ASME Boiler & Pressure Code - Section IX, or other) P 175.194 C | ✓ | | | |
| | .222 | Is welding performed by welders, who have been qualified in accordance with Section 3 of the API Standard 1104 (18th Ed., 1994) or Section IX of the ASME Boiler and Pressure Vessel Code (1995), except that a welder qualified under an earlier edition than listed in §195.3 may weld, but may not requalify under that earlier edition? P 195.194 C 2 | ✓ | | | |
| Alert Notice 3/13/88 | | **In the welding of repair sleeves and fittings, does the operator's procedures give consideration to:** | ✓ OMEI I 3-7 F | | | |
| | | 1. The use of low hydrogen welding rods. | ✓ | | | |
| | | 2. Cooling rate of the weld. | ✓ | | | |
| | | 3. Metallurgy of the materials being welded (weldability carbon equivalent). | ✓ | | | |
| | | 4. Proper support of the pipe in the ditch. | ✓ | | | |
| .402(c)/ .422 | .226(a) | Does the operator require the repair (within pipe and (b) specification thickness tolerances) or replacement of arc burns? OMEI I 3.7 G | ✓ | | | |
| | .226(b) | Does the operator require verification of the removal of the metallurgical notch by nondestructive testing? (Ammonium Persulfate) OMEI I 3.9 G.3 b. | ✓ | | | |
| | .226(c) | When pipe is being welded, is the ground wire attached to the pipe by other means than welding? OMEI I 3.9 G.2 | ✓ | | | |

**Comments** *(If any of the above is Unsatisfactory, please indicate why):*

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

S - Satisfactory U - Unsatisfactory N/A - Not Applicable N/C - Not Checked

| | | Welds: Acceptability - Nondestructive Testing Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(c)/ .422 | .228 | Does the operator nondestructively test welds to insure their acceptability according to Section 6 of API 1104 (18th) and per the requirements of §195.234 in regard to the number of welds to be tested? P195.214 C.2.9 | ✓ | | | |
| | .234(b) | Is nondestructive testing of welds performed: OMER I 3-10 | | | | |
| | | 1. In accordance with written procedures for NDT. OMER I 3-10 B | ✓ | | | |
| | | 2. By qualified personnel. OMER I 3-10 D | ✓ | | | |
| | | 3. By a process that will indicate any defects that may affect the integrity of the weld. OMER I C | ✓ | | | |
| | .266 | Does the operator maintain records of the total number of girth welds and the number nondestructively tested, including the number rejected and the disposition of each rejected weld? | | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why):*
195.234(b) 1. manual references X-RAYS NOT NDT.
BP ONLY USES X-RAY AS NDT FOR welds.

| | | Welds: Repair or Removal of Defect Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(c)/ .422 | .230 | Does the operator remove and/or repair welds that are unacceptable in accordance with the requirements of §195.230? P195.214 F & H | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why):*

| | | Subpart E - Pressure Testing Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(c)/ .422 | .302(a) | Does the operator pressure test each new pipeline system and each pipeline system in which pipe has been relocated or replaced, or that part of a pipeline system that has been relocated or replaced? OMER I 3-11 preamble & SP 115 | ✓ | | | |
| | | Are lines that have not been pressure tested per subpart E being operated in accordance with this subsection? 100% TEST | | | ✓ | |
| | .302(c) | Have/are the below listed pipelines (excluding converted lines and lines covered under the risk assessment option in §195. 303) being pressure tested per subpart E; or, was the MOP established prior to 12/7/98, using the prescribed pressure in 195.406(a)(5) [80% of the 4 hour documented test pressure, or 80% of the 4 hour documented operating pressure] ? SP 202 Sec 2.5 part 5 | ✓ | | | |
| | | - Interstate liquid lines constructed before 01/08/71 (excluding HVL onshore or low stress lines). | ✓ | | | |
| | | - Interstate liquid offshore gathering lines constructed before 08-01-77 (excluding low stress lines). | | | ✓ | |
| | | - Intrastate liquid lines constructed before 10/21/85 (excluding HVL onshore or low stress lines). | | | ✓ | |
| | | - Carbon dioxide lines constructed before 07/12/91 (excluding rural production field distribution or low stress lines). | | | ✓ | |
| | .303 | Does the operator comply with the risk based alternative to pressure testing? | | | ✓ | |
| | .304 | The test pressure for each pressure test conducted under this subpart must be maintained throughout the part of the system being tested at least 4 continuous hours at a pressure equal to 125 percent, or more, of the maximum operating pressure. P195.700 G 2 | ✓ | | | |

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

| | | Subpart E - Pressure Testing Procedures (Con't) | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| 402(c)/ .422 | .305(a) | Does the operator pressure test under §195.302 all pipe, all attached fittings, including components? P 195.300 C | ✓ | | | |
| | .305(b) | A component, other than pipe, that is the only item being replaced or added to the pipeline system need not be hydrostatically tested under paragraph (a) of this section if the manufacturer certifies that either: (1) The component was hydrostatically tested at the factory; or (2) The component was manufactured under a quality control system that ensures each component is at least equal in strength to a prototype that was hydrostatically tested at the factory. P 195.300 C 1.a | ✓ | | | |
| | .306 | Is the appropriate test medium used? P 195.300 D | ✓ | | | |
| | .308 | Does the operator pressure test pipe associated with tie-ins as one segment or tested separately? P 195.300 A-D | | | | |
| | .310(a) | Does the operator maintain a record of each pressure test required by this Subpart? P 195.300 L 1 | | | | |
| | .310(b) | Does the record required by paragraph (a) of this section include: | | | | |
| | .310(b)(1) | Pressure recording charts. 195.300 L 2a | ✓ | | | |
| | .310(b)(2) | Test instrument calibration data. 2 b | ✓ | | | |
| | .310(b)(3) | Name of the operator, person responsible, test company used, if any. 2 c | ✓ | | | |
| | .310(b)(4) | Date and time of the test. 2 d | ✓ | | | |
| | .310(b)(5) | Minimum test pressure. 2 e | ✓ | | | |
| | .310(b)(6) | Test medium. 2 f | ✓ | | | |
| | .310(b)(7) | Description of the facility tested and the test apparatus. 2 g | ✓ | | | |
| | .310(b)(8) | Explanation of any pressure discontinuities, including test failures, that appear on the pressure recording charts. 2 h | ✓ | | | |
| | .310(b)(9) | Where elevation differences in the test section exceed 100 feet, a profile of the elevation over entire length of the test section must be included. 2 i | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why)*:

| | | Subpart F - Operations & Maintenance Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .402 | a. Has the operator prepared a manual for normal operations & maintenance activities & handling abnormal operations & emergencies? TABLE OF CONTENTS | ✓ | | | |
| | | b. Does the operator review the manual at intervals not exceeding 15 months, but at least each calendar year? OMER I 1.1 B TRAINING | ✓ | | | |
| | | c. Are the manuals available, as required? OMER I 1.1 E | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why)*:

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

| | | Maintenance & Normal Operation Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .402(c) | Written procedures must be followed to provide safety during maintenance and normal operations. Does the operator have procedures for: | | | | |
| | .402(c)(4) | Has the operator determined which pipeline facilities are located in areas that would require an immediate response by the operator to prevent hazards to the public if the facilities failed or malfunctioned? HCA MAPS - IMP PLAN. | ✓ | | | |
| | .402 (c)(5) | Analyzing pipeline accidents to determine their causes? SAFETY MANUAL - INCIDENT INVEST. | ✓ | | | |
| | .402(c)(6) | Minimizing the potential for hazards identified under paragraph (c)(4) and minimizing the possibility of recurrence of accidents analyzed under paragraph (c)(5)? DAMAGE PREVENTION PROGRAM | ✓ | | | |
| | .402(c)(7) | Starting up and shutting down any part of the pipeline system in a manner designed to assure operation within limits prescribed by §195.406, considering the hazardous liquid or carbon dioxide in transportation, variations in the altitude along the pipeline, and pressure monitoring and control devices? OMER I 2.5 & 2.6 & 2.0 | ✓ | | | |
| | .402(c)(8) | In the case of a pipeline that is not equipped to fail safe monitoring from an attended location pipeline pressure during startup until steady state pressure and flow conditions are reached and during shut in to assure operation within limits prescribed by §195.406? 100% DESIGNED AS FAIL SAFE | | | ✓ | |
| | .402(c)(9) | In the case of facilities not equipped to fail safe that are identified under §195.402(c)(4) or that control receipt and delivery of hazardous liquid, detecting abnormal operating conditions by monitoring pressure, temperature, flow or other appropriate operational data and transmitting this data to an attended location? 100% DESIGNED AS FAIL SAFE & SCADA MONITORED | | | ✓ | |
| | .402(c)(10) | Abandoning pipeline facilities, including safe disconnection from an operating pipeline system, purging of combustibles, and sealing abandoned environmental hazards. OMER I 3-12 C.2 & 3.6 | ✓ | | | |
| | | Reporting abandoned pipeline facilities under commercially navigable waterways per §195.59 | ✓ | §195.402 c10 | | |
| | .402(c)(11) | Minimizing the likelihood of accidental ignition of vapors in areas near facilities identified under paragraph (c)(4) of this section where the potential exists for the presence of flammable liquids or gases? [illegible] WORK PERM, SECURITY PLAN | ✓ | | | |
| | .402(c)(12) | Establishing and maintaining liaison with fire, police, and other appropriate public officials to learn the responsibility and resources of each hazardous liquid pipeline emergency. | ✓ | DAMAGE PREVENTION F2 | | |
| | .402(c)(13) | Periodically reviewing the work done by operator's personnel to determine the effectiveness of the procedures used in normal operation and maintenance and taking corrective action where deficiencies are found? OMER I 1-1 D & D.2 | ✓ | | | |
| | .402(c)(14) | Taking adequate precautions in excavated trenches to protect personnel from hazards of unsafe accumulations of vapor or gas, making available when needed at the excavation site, emergency rescue equipment, including a breathing apparatus and, a rescue harness and line. OMER I 3-15 B | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why)*:

Update OQ shortcut on web.

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

| | | Abnormal Operating Procedures (Control Center Function) | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .402(d) | The O&M manual must contain written procedures to provide safety when operating design limits have been exceeded. Does the operator have procedures for: | | | | |
| | .402(d)(1) | Responding to, investigating, and correcting the cause of: | | | | |
| | | i. Unintended closure of valves or shutdowns? OMer I 2-3 C | ✓ | | | |
| | | ii. An increase or decrease in pressure or flow rate outside normal operating limits? OMer 2-3 C | ✓ | | | |
| | | iii. Loss of communications? OMer I 2-3 C3 | ✓ | | | |
| | | iv. The operation of any safety device? OMer I 2-3 C5 | ✓ | | | |
| | | v. Any other malfunction of a component, deviation from normal operation, or personnel error which could cause a hazard to persons or property? C. C | ✓ | | | |
| | .402(d)(2) | Checking variations from normal operation after abnormal operations have ended at sufficient critical locations in the system to determine continued integrity and safe operations? OMer I 2-3 D | ✓ | | | |
| | .402(d)(3) | Correcting variations from normal operation of pressure and flow equipment controls? OMer I 2-3 C | | | | |
| | .402(d)(4) | Does operating personnel notify responsible operator personnel where notice of an abnormal operation is received? OMer I 2-3 B | ✓ | | | |
| | .402(d)(5) | Periodically reviewing the response of operating personnel to determine the effectiveness of the procedures and taking corrective action where deficiencies are found? OMer I 2-3 D | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why)*:

| | | Emergency Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .402(e) | The O&M manual must include written procedures to provide safety when an emergency condition occurs. Does the operator have procedures for: OMer I 2.4 | | | | |
| | .402(e)(1) | Receiving, identifying, and classifying notices of events which need immediate response by the operator or fire, police, or other, and notifying appropriate operator's personnel for corrective action? Incident Reporting Flow Chart + Dist Contingency Plan - Sec 1 | ✓ | | | |
| | .402(e)(2) | Making a prompt and effective response to a notice of each type of emergency, fire, explosion, accidental release of hazardous liquid, operational failure, natural disaster affecting the pipeline? Dist Contingency Plan | ✓ | | | |
| | .402(e)(3) | Making personnel, equipment, instruments, tools, and materials available at the scene of an emergency? | ✓ | | | |
| | .402(e)(4) | Taking action; such as emergency shutdown or pressure reduction, to minimize release of liquid at a failure site? OMer I 2-3 C | ✓ | | | |
| | .402(e)(5) | Controlling the release of liquid at the failure site? OMer I 2-3 C | ✓ | | | |
| | .402(e)(6) | Minimizing the public exposure and accidental ignition, evacuation, and halting traffic on roads, railroads, etc.? Dist Contig Plan - Sec 1, First Respond. | ✓ | | | |
| | .402(e)(7) | Notifying fire, police, and others of hazardous liquid emergencies and preplanned responses including HVLs? Dist Contig Plan - Sec 1, First Respon- | ✓ | | | |
| | .402(e)(8) | Determining extent and coverage of vapor cloud and hazardous areas of HVLs by using appropriate instruments? | | | ✓ | |
| | .402(e)(9) | Post accident review of employees activities to determine if procedures were effective and corrective action was taken? OMer I 2-3 D | ✓ | | | |

Is Appendix C.1 Emergency Response Contractors enough? Given yet table for drills + bi annual full deployment in mock drill - mobilization of equip, response teams, contractors, agencies, etc.

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

Comments *(If any of the above is Unsatisfactory, please indicate why)*:

| | | Emergency Response Training Procedures (Control Center & Field) | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .403(a) | Each operator shall establish and conduct a written continuing training program to instruct operating and maintenance personnel to: | | | | |
| | .403(a)(1) | Carry out the emergency response procedures established under §195.402. emer I 1.1 c | ✓ | | | |
| | .403(a)(2) | Know the characteristics and hazards of liquids or carbon dioxide transported, including in the case of HVL, flammability, of mixtures with air, odorless vapors, and water reactions. 1.1 c | ✓ | | | |
| | .403(a)(3) | Recognize conditions that are likely to cause emergencies; predict the consequences of malfunction or failures and take appropriate actions. 1.1 c | ✓ | | | |
| | .403(a)(4) | Take steps necessary to control any accidental release of hazardous liquid or carbon dioxide and to minimize the potential for fire, explosion, toxicity, or environmental damage. 1.1 c & | ✓ VTA prog | | | |
| | .403(a)(5) | Learn the proper use of fire fighting procedures and equipment, fire suits, and breathing apparatus, etc. SAFETY MANUAL F3-1 | ✓ | | | |
| | .402(f) | Recognize and report safety related conditions. 1.1 c & VTA prog. | ✓ | | | |
| | .403(b) | At intervals not exceeding 15 months, but at least once each calender year: | | | | |
| | .403(b)(1) | Does the operator review with personnel their performance in meeting the objectives of the emergency response training program? 1.1 B | ✓ | | | |
| | .403(b)(2) | Does the operator make appropriate changes to the emergency response training program? 1.1 D | ✓ | | | |
| | .403(c) | Does the operator require and verify, its supervisors maintain a thorough knowledge of the emergency response procedures they are responsible for? 1.1 D & VTA program | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why)*:

need to review emer I 1.1 c & VTA prog printout to prove satisfactory compliance w/ .403 (a)

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** | **U - Unsatisfactory** | **N/A - Not Applicable** | **N/C - Not Checked**

| | | Maps and Records Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .402(c)(1) | Making construction records, maps, and operating history available as necessary for safe operation and maintenance. P195.404 F | ✓ | | | |
| | .404(a) | Each operator shall maintain current maps and records of its pipeline system that include at least the following information: P195.404 A & Alignment sheets | | | | |
| | .404(a)(1) | Location and identification of the following facilities: | | | | |
| | | i. Breakout tanks | | | ✓ | |
| | | ii. Pump stations omer II 5-58.01 .17 15 | ✓ | | | |
| | | iii. Scraper and sphere facilities Alignment sheets omer II 5-58.01 | ✓ | | | |
| | | iv. Pipeline valves omer II 5.08.01 17 17 & 18 | ✓ | | | |
| | | v. Facilities to which §195.402(c)(9) applies Alignment sheets. | | | | |
| | | vi. Rights-of-way P-195.404 & SP 211 | ✓ | | | |
| | | vii. Safety devices to which §195.428 applies omer II 5-58.01 sec E | ✓ | | | |
| | .404(a)(2) | All crossings of public roads, railroads, rivers, buried utilities and foreign pipelines. omer II 5-58.01 | ✓ | | | |
| | .404(a)(3) | The maximum operating pressure of each pipeline. omer II 5-58.01 | ✓ | | | |
| | .404(a)(4) | The diameter, grade, type, and nominal wall thickness of all pipe. omer II 5-58.01 Alignment sheets | ✓ | | | |
| | .404(b) | Each operator shall maintain for at least 3 years daily operating records for the following: | | | | |
| | .404(b)(1) | The discharge pressure at each pump station. omer specifications sec 3 | ✓ | | | |
| | .404(b)(2) | Any emergency or abnormal operation to which the procedures under §195.402 apply. (omer I 2-074) | ✓ | | | |
| | .404(c) | Each operator shall maintain the following records for the periods specified: (P195.404 e) | | | | |
| | .404(c)(1) | The date, location, and description of each repair made on the pipe and maintain it for the life of the pipe. omer I 3-08 sec K | ✓ | | | |
| | .404(c)(2) | The date, location, and description of each repair made to parts of the pipeline system other than the pipe and maintain it for at least 1 year. omer I 3-08 sec K | ✓ | | | |
| | .404(c)(3) | Each inspection and test required by Subpart F shall be maintained for at least 2 years, or until the next inspection or test is performed, whichever is longer. omer 3-08 sec K | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why)*:

(vii)

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

S - Satisfactory    U - Unsatisfactory    N/A - Not Applicable    N/C - Not Checked

| | | Maximum Operating Pressure Procedures (MOP) - All Systems | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .406(a) | Except for surge pressures and other variations from normal operations, the MOP may not exceed any of the following: P195.406 P12 SP-202 | | | | |
| | .406(a)(1) | The internal design pressure of the pipe determined by §195.106. P195.406 P12 | ✓ | | | |
| | .406(a)(2) | The design pressure of any other component on the pipeline. P195.406 P1 | ✓ | | | |
| | .406(a)(3) | 80% of the test pressure (Subpart E). P.195.300 G | ✓ | | | |
| | .406(a)(4) | 80% of the factory test pressure or of the prototype test pressure for any individual component. | ✓ | P195.300 C | | |
| | .406(a)(5) | 80% of the highest operating pressure for a minimum of 4 hours for a pipeline that has not been tested under Subpart E. | | | ✓ | |
| | .406(b) | The pipeline may not be operated at a pressure that exceed 110% of the MOP: SP-202 Sec 4 | ✓ | | | |
| | | a. Are adequate controls and protective equipment installed to prevent the pressure from exceeding 110% of the MOP? SP-202 Sec 4 | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why)*:

| | | Communication Procedures (Control Center) | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .408(a) | Does the operator have a communication system to provide for the transmission of information needed for the safe operation of its pipeline system? OMEP II 5-5B.01 P7-11 | ✓ | | | |
| | .408(b) | Does the communication system required by paragraph (a) include means for: | | | | |
| | .408(b)(1) | Monitoring operational data as required by §195.402(c)(9). | ✓ | | | |
| | .408(b)(2) | Receiving notices from operator personnel, the public, and others about abnormal or emergency conditions and initiating corrective actions. | ✓ | | | |
| | .408(b)(3) | Conducting two-way vocal communication between a control center and the scene of abnormal operations and emergencies. | ✓ | | | |
| | .408(b)(4) | Providing communication with fire, police, and other appropriate public officials during emergency conditions, including a natural disaster. DIST CONT PLAN | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why)*:

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

| | | Line Marker Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .410(a) | Each operator shall place and maintain line markers over each buried pipeline in accordance with the following: | | | | |
| | .410(a)(1) | Are line markers placed at each public road crossing, railroad crossing, and sufficient number along the remainder of each buried line so that its location is accurately known? omer I 3-2 D | ✓ | | | |
| | .410(a)(2) | Do the line markers have the correct characteristics and information? omer I 3-2 sec B | ✓ | | | |
| | .410(c) | Are line markers placed where pipelines are aboveground in areas that are accessible to the public? omer I 3-2 C | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why):*

| | | Inspection of Rights-of-Way & Crossings Under Navigable Water Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .412(a) | Does the operator inspect the right-of-way at intervals not exceeding 3 weeks, but at least 26 times each calendar year? omer I 3-4 B.1 | ✓ | | | |
| | | Does the operator follow-up on problems noted by the patrol? omer I 3-4 B.2 | ✓ | | | |
| | .412(b) | Does the operator inspect each crossing under a navigable waterway to determine the crossing condition at intervals not exceeding 5 years? omer I 3-4 C | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why):*

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

| | | Underwater Inspection Procedures of Offshore Pipelines | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .413(b) | When the operator discovers a pipeline, it operates, is exposed on the seabed or constitutes a hazard to navigation does the operator: | | | | |
| | .413(b)(2) | Promptly, but not later than 7 days after discovery, mark the location of the pipeline in accordance with 33 CFR Part 64 at each end of the pipeline segment and at intervals of not over 500 yards long, except that a pipeline segment less than 200 yards long need only be marked at the center. OMER I 3-4 E | ✓ | | | |
| | .413(b)(3) | Within 6 months after discovery, or not later than November 1 of the following year if the 6 month period is after November 1 of that year the discovery is made, place the pipeline so that the top of the pipe is 36 inches below the seabed for normal excavation or 18 inches for rock OMER I 3-4 E | ✓ | | | |
| | .57 | Has the operator filed a report within 60 days of the inspection as required by §195.413? | ✓ | | | |

OMER I 3-4 E & DISTR CONTROL PLAN FORM 7000-1 INSTR

Comments *(If any of the above is Unsatisfactory, please indicate why)*:

| | | Valve Maintenance Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .420(a) | Does the operator maintain each mainline valve that is necessary for the safe operation of its pipeline system in good working order at all times? 7-3 C, 1, E | ✓ | | | |
| | .420(b) | Does the operator inspect each mainline valve to determine that it is functioning properly at intervals not exceeding 7½ months, but at least twice each calendar year? 7-3 C | ✓ | | | |
| | .420(c) | Does the operator provide protection for each valve from unauthorized operation and from vandalism? OMER I 3-3 B | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why)*:

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

| | | Pipeline Repair Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .422(a) | Does the operator, in repairing its pipeline systems, insure that the repairs are made in a safe manner and are made so as to prevent damage to persons and property? omer I 3-08 F | ✓ | | | |
| | .422(b) | No operator may use any pipe, valve, or fitting, for replacement in repairing pipeline facilities, unless it is designed and constructed as required by this part. omer I 3-08 F.2 | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why)*:

| | | Pipe Movement Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .424(a) | When moving any pipeline, does the operator reduce the pressure for the line segment involved to 50% of the MOP. omer I 3-08 I | ✓ | | | |
| | .424(b) | For HVL lines joined by welding, does the operator: | | | | |
| | .424(b)(1) | Move the line when it does not contain HVL, unless impractical. | | | ✓ | |
| | .424(b)(2) | Have procedures under §195.402 containing precautions to protect the public. | | | ✓ | |
| | .424(b)(3) | Reduce the pressure for the line segment involved to the lower of 50% of the MOP or the lowest practical level that will maintain the HVL in a liquid state. (Minimum = V.P. + 50 psig) | | | ✓ | |
| | .424(c) | For HVL lines not joined by welding, does the operator: | | | | |
| | .424(c)(1) | Move the line when it does not contain HVL, unless impractical. | | | ✓ | |
| | .424(c)(2) | Have procedures under §195.402 containing precautions to protect the public. | | | ✓ | |
| | .424(c)(3) | Isolate the line to prevent flow of the HVL. | | | ✓ | |

Comments *(If any of the above is Unsatisfactory, please indicate why)*:

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

| | | Scraper and Sphere Facility Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .426 | Does the operator, have a relief device capable of safely relieving the pressure in the barrel before insertion or removal of scrapers or spheres? ✓195.426 E.4 | ✓ | | | |
| | | Does the operator have a suitable device to indicate that pressure has been relieved, or a means to prevent insertion? ✓195.426 E.4 | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why):*

| | | Overpressure Safety Device Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .428(a) | Does the operator inspect and test each pressure limiting device, relief valve, pressure regulator, or other items of pressure control equipment to determine that it is functioning properly, in good mechanical condition, has adequate capacity, and is reliable? ✓195-428a | ✓ | | | |
| | | Does the operator inspect and test overpressure safety devices at the following intervals: | | | | |
| | | 1. Non-HVL pipelines at intervals not to exceed 15 months, but at least once each calendar year. | ✓ | | | |
| | | 2. HVL pipelines at intervals not to exceed 7½ months, but at least twice each calendar year. | | | ✓ | |
| | .428(b) | Does the operator inspect and test relief valves on HVL breakout tanks at intervals not exceeding 5 years? | | | ✓ | |
| | .428(c) | Do aboveground breakout tanks that are constructed or significantly altered according to API Standard 2510 after October 2, 2000, have an overfill protection system installed according to the appropriate API. Tanks over 600 gallons (2271 liters) constructed or significantly altered after October 2, 2000, must have overfill protection according to API Recommended Practice 2350 unless operator noted in procedures manual (§195.402) why compliance with API RP 2350 is not necessary for the safety of a particular breakout tank. | | | ✓ | |
| | .428(d) | After October 2, 2000, the requirements of paragraphs (a) and (b) of this section for inspection and testing of pressure control equipment apply to the inspection and testing of overfill protection systems. | | | ✓ | |

Comments *(If any of the above is Unsatisfactory, please indicate why):*

| | Firefighting Equipment Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|

| | | | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .430 | Does the operator maintain adequate firefighting equipment at each pump station and breakout tank areas? Safety Manual F3-3 | ✓ | | | |
| | .430 | The equipment must be: | | | | |
| | | a. In proper operating condition at all times. | ✓ | | | |
| | | b. Plainly marked so that its identity as firefighting equipment is clear. | ✓ | | | |
| | | c. Located so that it is easily accessible during a fire. | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why):*

| | | Breakout Tank Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .432(a) | Inspection of in-service breakout tanks. (annually/ 15mo) includes anhydrous ammonia and any other breakout tank that is not inspected per 432 (b) & (c); | | | ✓ | |
| | .432(b) | Each operator shall inspect the physical integrity of in-service atmospheric and low-pressure steel aboveground breakout tanks according to section 4 of API Standard 653. However, if structural conditions prevent access to the tank bottom, the bottom integrity may be assessed according to a plan included in the operations and maintenance manual under §195.402(c)(3). | | | ✓ | |
| | .432(c) | Each operator shall inspect the physical integrity of in-service steel aboveground breakout tanks built to API Standard 2510 according to section 6 of API 510. | | | ✓ | |
| | .432(d) | The intervals of inspection specified by documents referenced in paragraphs (b) and (c) of this section begin on May 3, 1999, or on the operator's last recorded date of the inspection, whichever is earlier. | | | ✓ | |
| | | Note: For Break-out tank unit inspection, refer to Breakout Tank Form | | | ✓ | |

Comments *(If any of the above is Unsatisfactory, please indicate why):*

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

| | | Sign Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .434 | Does the operator maintain signs visible to the public around each pumping station and breakout tank area? OMER I 3-2 D | ✓ | | | |
| | | Do the signs contain the name of the operator and an emergency telephone number? 3-2 D | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why):*

| | | Security of Facility Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .436 | Does the operator provide protection for each pumping station and breakout tank area and other exposed facilities from vandalism and unauthorized entry? OMER I 3-14 C | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why):*

| | | Smoking or Open Flame Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .438 | Does the operator prohibit smoking and open flames in each pump station and breakout tank area where there is the possibility of the presence of hazardous liquids or flammable vapors? | ✓ | | | |

OMER I 3-14 C

Comments *(If any of the above is Unsatisfactory, please indicate why):*

| | | Public Education Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .440 | Has the operator established a continuing educational program to enable the public, government, persons engaged in excavation to recognize a hazardous liquid or carbon dioxide pipeline emergency and report it to the operator, fire, police, and others? OMER I 3-14 D | ✓ | | | |
| | | Is the program conducted in English and other languages where appropriate? | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why):*

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

| | | Damage Prevention Program Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .442(a) | Does the operator have a written program in place to prevent damage by excavation activities applicable to the operator's pipelines? OMER I 3-14 D | ✓ | | | |
| | .442(b) | Does the operator participate in a qualified One-Call program? 3-14 D | ✓ | | | |
| | .442(c)(1) | Include the identity, on current a basis, of persons who normally engage in excavation activities in the area in which the pipeline is located. OMER I 3-14 D, 2 | ✓ | | | |
| | .442(c)(2) | Provide for notification to the public in the vicinity of the pipeline and actual notification to the persons identified in paragraph (c)(1) of this section of the following, as often as needed to make them aware of the damage prevention program: | | | | |
| | | i. The program's existence and purpose. DAMAGE PREVENTION PROGRAM - OVERVIEW | ✓ | | | |
| | | ii. How to learn the location of underground pipelines before excavation activities are begun. | ✓ | | | |
| | .442(c)(3) | Provide a means of receiving and recording notification of planned excavation activities. DAMAGE PREV PROG | ✓ | | | |
| | .442(c)(4) | If the operator has buried pipelines in the area of excavation activity, provide for actual notification of persons who give notice of their intent to excavate of the type of temporary marking to be provided and how to identify the markings. 195.442 E | ✓ | | | |
| | .442(c)(5) | Provide for temporary marking of buried pipelines in the area of excavation activity before, as far as practical, the activity begins. 195.442 F | ✓ | | | |
| | .442(c)(6) | Provide as follows for inspection of pipelines that an operator has reason to believe could be damaged by excavation activities: | | | | |
| | | i. The inspection must be done as frequently as necessary during and after the activities to verify the integrity of the pipeline. 195.442 F | ✓ | | | |
| | | ii. In the case of blasting, any inspection must include leakage surveys. OMER I 3-14 D.1.F | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why):*

| | | CPM/Leak Detection Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .444 | If a CPM system is installed, does the operator's procedures for the Computational Pipeline Monitoring (CPM) leak detection system comply with API 1130 in operating, maintaining, testing, record keeping, and dispatching training? OMER II 5-5B-01 B, G, H | ✓ | | | |

Comments *(If any of the above is Unsatisfactory, please indicate why):*

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

S - Satisfactory U - Unsatisfactory N/A - Not Applicable N/C - Not Checked

| | High Consequence Areas & Pipeline IMP Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|
| §195.450 & §195.452 | These sections are being addressed by the OPS IMP group. | | | | |

| | Subpart C - Operator Qualification Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|
| §195.501-509 | Refer to Operator Qualification Protocols | | | | |

| | | Subpart H - Corrosion Control Procedures | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .555 | Does the Operator require and verify that supervisors maintain a thorough knowledge of that portion of the corrosion control procedures for which they are responsible for insuring compliance. OM+r I 3-6 D | ✓ | | | |
| | .557 | Except bottoms of aboveground breakout tanks, each buried or submerged pipeline must have an external coating for external corrosion control if the pipeline is : | | | | |
| | | a) constructed, relocated, replaced, or otherwise changed after the applicable dates :<br>3/31/70 - interstate pipelines excluding low stress<br>7/31/77 -interstate offshore gathering excluding low stress<br>10/20/85-intrastate pipeline excluding low stress<br>7/11/91- carbon dioxide pipelines<br>8/10/94 - low stress pipelines<br>NOTE: This does not include the movement of pipe under 195.424 3-6 E | ✓ | | | |
| | | b) Converted under 195.5 and<br>1) Has an external coating that substantially meets 195.559 before the pipeline is placed in service or; | | | ✓ | |
| | | 2) Is a segment that is relocated, replaced, or substantially altered. 3-6 E | ✓ | | | |
| | .559 | Coating Materials; 3-6 F<br>Coating material for external corrosion control must;<br>a. Be designed to mitigate corrosion of the buried or submerged pipeline;<br>b. Have sufficient adhesion to the metal surface to prevent under film migration of moisture;<br>c. Be sufficiently ductile to resists cracking;<br>d. Have enough strength to resist damage due to handling and soil stress;<br>e. Support any supplemental cathodic protection; and<br>f. If the coating is an insulating type, have low moisture absorption and provide high electrical resistance. | ✓ | | | |
| | .561 | a. All external pipe coatings required under 195.557 must be inspected just prior to lowering the pipe in the ditch or submerging the pipe. 3-6 G | ✓ | | | |
| | | b. All coating damage discovered must be repaired. | ✓ | | | |
| | .563 | a. Is cathodic protection applied to pipelines that have been subjected to the conditions listed in 195.557(a) within one (1) year? 3-6 H | ✓ | | | |
| | | b. Each buried or submerged pipeline converted under 195.5 must have cathodic protection if the pipeline- | | | ✓ | |
| | | 1. Has cathodic protection that substantially meets 195.571 before the pipeline is placed in service, or | | | ✓ | |
| | | 2. Is a segment that is relocated, replaced, or substantially altered. | | | ✓ | -- |
| | | c. All other buried or submerged pipelines that have an effective external coating must have cathodic protection. 3-6 H | ✓ | | | |

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

| | | Subpart H - Corrosion Control Procedures (Con't) | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | | d. Bare pipelines, breakout tank areas, and buried pumping station piping must have cathodic protection in places where previous editions of this part required cathodic protection as a result of electrical inspections. 3-6 H | | | ✓ | |
| | | e. Unprotected pipe must have cathodic protection if required by 195.573(b). | | | ✓ | |
| | .567 | Test leads installation and maintenance 3-6 J | ✓ | | | |
| | .569 | Examination of Exposed Portions of Buried Pipelines 3-6 K | ✓ | | | |
| | .571 | Cathodic protection must comply with one or more of the applicable criteria and other considerations for cathodic protection contained in paragraphs 6.2 and 6.3 of NACE Standard RP0169-96 (incorporated by reference) 3-6 L | ✓ | | | |
| | .573 | a. (1) Pipe to soil monitoring (annually / 15months) 3-6 L | ✓ | | | |
| | | Separately protected short sections of bare ineffectively coated pipelines (every 3 years not to exceed 39 months) | | | ✓ | |
| | | (2) Before 12/29/2003 or not more than 2 years after cathodic protection installed, whichever comes later, identify the circumstances in which a close-interval survey or comparable technology is practicable and necessary to accomplish the objectives of paragraph 10.1.1.3 of NACE RP0169-96. 3-6 M | ✓ | | | |
| | | b. Unprotected buried or submerged pipe must be evaluated and cathodically protected in areas in which active corrosion is found as follows; | | | | |
| | | 1) Determine areas of active corrosion by electrical survey, or where electrical survey is impractical, by other means that include review of analysis of leak repair and inspection records, corrosion monitoring records, exposed pipe inspection records, and the pipe environment. 3-6 M | | | ✓ | |
| | | 2) Before 12/29/2003 - at least once every 5 years not to exceed 63 months. | | | ✓ | |
| | | Beginning 12/29/2003 - at least once every 3 years not to exceed 39 months. | | | ✓ | |
| | | c. Rectifiers, Reverse Current Switches, Diodes, Interference Bonds whose failure would jeopardize structural protection - at least 6 times each year, intervals not to exceed 2 ½ months. 3-6 M | ✓ | | | |
| | | c. Any deficiencies identified in corrosion control must be corrected as required by 195.401(b). 3-6 M | ✓ | | | |
| | .575 | Are there adequate provisions for electrical isolations? 3-6 N | ✓ | | | |
| | .577 | a. For pipelines exposed to stray currents, is there a program to minimize the detrimental effects? 3-6 O | ✓ | | | |
| | | b. Design & install CP systems to minimize effects on adjacent metallic structures. | ✓ | | | |
| | .579 | a. For pipelines that transport any hazardous liquid or carbon dioxide that would corrode the pipe, are corrosive effects investigated and adequate steps taken? 3-6 P | ✓ | | | |
| | | b. Internal Corrosion - Inhibitors - do procedures show that they are to be used in conjunction with coupons or other monitoring equipment to determine the effectiveness of the inhibitors in mitigating internal corrosion 3-6 P | ✓ | | | |
| | | Coupons or other monitoring equipment must be examined at least 2 times each year, not to exceed 7 ½ months. | ✓ | | | |
| | | c. Whenever pipe is removed from a pipeline, the internal surface of the pipe must be inspected for evidence of corrosion as well as the adjacent pipe? What steps are taken to minimize internal corrosion. 3-6 P | ✓ | | | |
| | .581 | Are pipelines protected against Atmospheric Corrosion using required coating material. (See exception to this statement) 3-6 Q | ✓ | | | – |
| | .583 | Atmospheric corrosion monitoring - | | | | |
| | | ONSHORE - At least once every 3 years but at intervals not exceeding 39 months. 3-6 R | ✓ | | | |
| | | OFFSHORE - At least once each year, but at intervals not exceeding 15 months. | ✓ | | | |

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

| | | Subpart H - Corrosion Control Procedures (Con't) | S | U | N/A | N/C |
|---|---|---|---|---|---|---|
| .402(a) | .585 | a. Are Procedures in place and are they followed to either reduce the MOP, or repair/replace pipe if general corrosion has reduced the wall thickness? 3-6 S | ✓ | | | |
| | | b. Are Procedures in place and are they followed to either reduce the MOP, or repair/replace if localized corrosion has reduced the wall thickness? 3-6 S | ✓ | | | |
| | .587 | Are applicable methods used in determining the strength of corroded pipe (ASME B-31G, RSTRENG) 3-6 T | | | | |
| | .589 | Corrosion Control Records Retention(Some are required for 5 yrs; Some are for the service life) | ✓ | | | |

OMIT 3-6 U

Comments *(If any of the above is Unsatisfactory, please indicate why):*

**Best Practice:**
**Are the breakout tanks equipped with high level alarms?**

**Comments:**

NA NO BREAKOUT TANKS

Note:
*How often are they checked?*
*Is the check all the way back to the SCADA center to ensure the hardware between the sensor and SCADA is good?*

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

S - Satisfactory U - Unsatisfactory N/A - Not Applicable N/C - Not Checked

**Best Practice:**

**Does the operator's damage prevention program include pro-active liaison with public construction project and land-use officials, engineers, and contractors?**

Comments: Yes - PIPELINE ASSOC IN ALL STATES OP-ERATES IN, STATE ONE-CALLS, MAIL OUTS TO ALL PARTIES, PARTICIPATE IN PUBLIC AWARENESS PROGRAMS.

**Best Practice:**

**Does the operator's damage prevention program include pro-active liaison with local school officials, where the pipeline traverses or is adjacent to, school property?**

Comments: DON'T GO TO Schools.

**Best Practice:**

**Has the operator reviewed the "Common Ground" Study of One Call Systems and Damage Prevention Best Practices?**

Comments: YES

**Best Practice:**

**Has the operator compared and measured the best practices against existing damage prevention practices contained in the operator's damage prevention plan?**

Comments: YES ..

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

**Best Practice:**

**Has the operator implemented any of the best practices in addition to their existing damage prevention activities subsequent to review of the Common Ground Study?**

Comments: NOTHING COMES TO MIND

**Best Practice:**

**Has the operator improved communication with other stakeholders in damage prevention as a result of the best practices?**

Comments: YES - MANY INDUSTRY MEETINGS. & HAVE INCREASED STAFF FOR DAMAGE PREVENTION.

**Best Practice:**

**Does the operator's damage prevention program include actions to protect their facilities when directional drilling or boring operations are conducted in proximity to the facilities?**

Comments: YES - SENDS PERSONNEL TO THE SITE.

**Best Practice:**

**What factors are considered in determining the need for and timing of pigging and close interval surveys?**

Comments:
1. LINES ARE RANKED TO BE SMART PIGGED.
2. CLOSE INTERVAL SURVEY THE YEAR AFTER RUNNING THE SMART PIG.

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

**S - Satisfactory** **U - Unsatisfactory** **N/A - Not Applicable** **N/C - Not Checked**

| | PART 195 - FIELD REVIEW | S | U | N/A | N/C |
|---|---|---|---|---|---|
| .120 | Have new pipelines, or pipeline sections of which pipe or components have been replaced, been designed and constructed to accommodate smart pigs ? (See exceptions under (b) and (c)) | ✓ | | | |
| .262 | Pumping Stations | ✓ | | | |
| .262 | Station Safety Devices | ✓ | | | |
| .308 | Pre-pressure Testing Pipe - Marking and Inventory | | | ✓ | |
| .403 | Knowledge of Operating Personnel | ✓ | | | |
| .410 | Right-of-Way Markers | ✓ | | | |
| .412 | River Crossings | ✓ | | | |
| .557 | Cathodic Protection (test station readings, other locations to ensure adequate CP) levels) | ✓ | | | |
| .573 | Pipeline Components Exposed to the Atmosphere | ✓ | | | |
| .573 | Rectifiers, Reverse Current Switches, Diodes, Interference Bonds | ✓ | | | |
| .420 | Valve Maintenance | ✓ | | | |
| .420 | Valve Protection from Unauthorized Operation and Vandalism | ✓ | | | |
| .426 | Scraper and Sphere Facilities and Launchers | ✓ | | | |
| .428 | Pressure Limiting Devices | ✓ | | | |
| .428 | Relief Valves - Location - Pressure Settings - Maintenance | ✓ | | | |
| .428 | Pressure Controllers | ✓ | | | |
| .430 | Fire Fighting Equipment | ✓ | | | |
| .432 | Breakout Tanks | | | ✓ | |
| .434 | Signs - Pumping Stations - Breakout Tanks | | | ✓ | |
| .436 | Security - Pumping Stations - Breakout Tanks | | | ✓ | |
| .438 | No Smoking Signs | ✓ | | | |

# STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

S - Satisfactory U - Unsatisfactory N/A - Not Applicable N/C - Not Checked

| | PART 195 - RECORDS REVIEW | S | U | N/A | N/C |
|---|---|---|---|---|---|
| | **Conversion to Service** | | | | |
| .5(a)(1) | Testing to Verify MOP (ASME<Appendix N) | ✓ | | | |
| .5(a)(2) | Inspection of Pipeline Right-of-Way | | | ✓ | |
| .5(c) | Pipeline Records (Life of System) | | | ✓ | |
| | Pipeline Investigations | | | ✓ | |
| | Pipeline Testing | | | ✓ | |
| | Pipeline Repairs | | | ✓ | |
| | Pipeline Replacements | | | ✓ | |
| | Pipeline Alterations | | | ✓ | |
| | **Reporting** | | | | |
| .52 | Telephonic Reports to NRC (800-424-8802) | ✓ | | | |
| .54(a) | Written Accident Reports (DOT Form 7000-1) | ✓ | | | |
| .54 (b) | Supplemental Accident Reports (DOT Form 7000-1) | | | ✓ | |
| .56 | Safety Related Conditions | ✓ | | | |
| .57 | Offshore Pipeline Condition Reports | | | ✓ | |
| .59 | Abandoned Underwater Facility Reports | | | ✓ | |
| | **Construction** | | | | |
| .204 | Construction Inspector Training/Qualification | ✓ | | | |
| .214(b) | Test Results to Qualify Welding Procedures | ✓ | | | |
| .222 | Welder Qualification | ✓ | | | |
| .234(b) | Nondestructive Technician Qualification | ✓ | | | |
| .589 | Cathodic Protection | ✓ | | | |
| .266 | Construction Records | ✓ | | | |
| .266(a) | Total Number of Girth Welds | ✓ | | | |
| | Number of Welds Inspected by NDT | ✓ | | | |
| | Number of Welds Rejected | ✓ | | | |
| | Disposition of each Weld Rejected | ✓ | | | |
| .266(b) | Amount, Location, Cover of each Size of Pipe Installed | ✓ | | | |
| .266(c) | Location of each Crossing with another Pipeline | ✓ | | | |
| .266(d) | Location of each buried Utility Crossing | ✓ | | | |
| .266(e) | Location of Overhead Crossings | ✓ | | | |
| .266(f) | Location of each Valve and Test Station | ✓ | | | |
| | **Pressure Testing** | | | | |
| .310 | Pipeline Test Record | ✓ | | | |
| .305(b) | Manufacturer Testing of Components | ✓ | | | |
| .308 | Records of Pre-tested Pipe | | | ✓ | |

# ATTACHMENT 2

## CORROSION COUPON LOCATIONS
## LONGWOOD JCT AND LONGWOOOD AND ARK-LA- TEX PIPELINES


07.22.2011 10:54


07-22-2011 10:55


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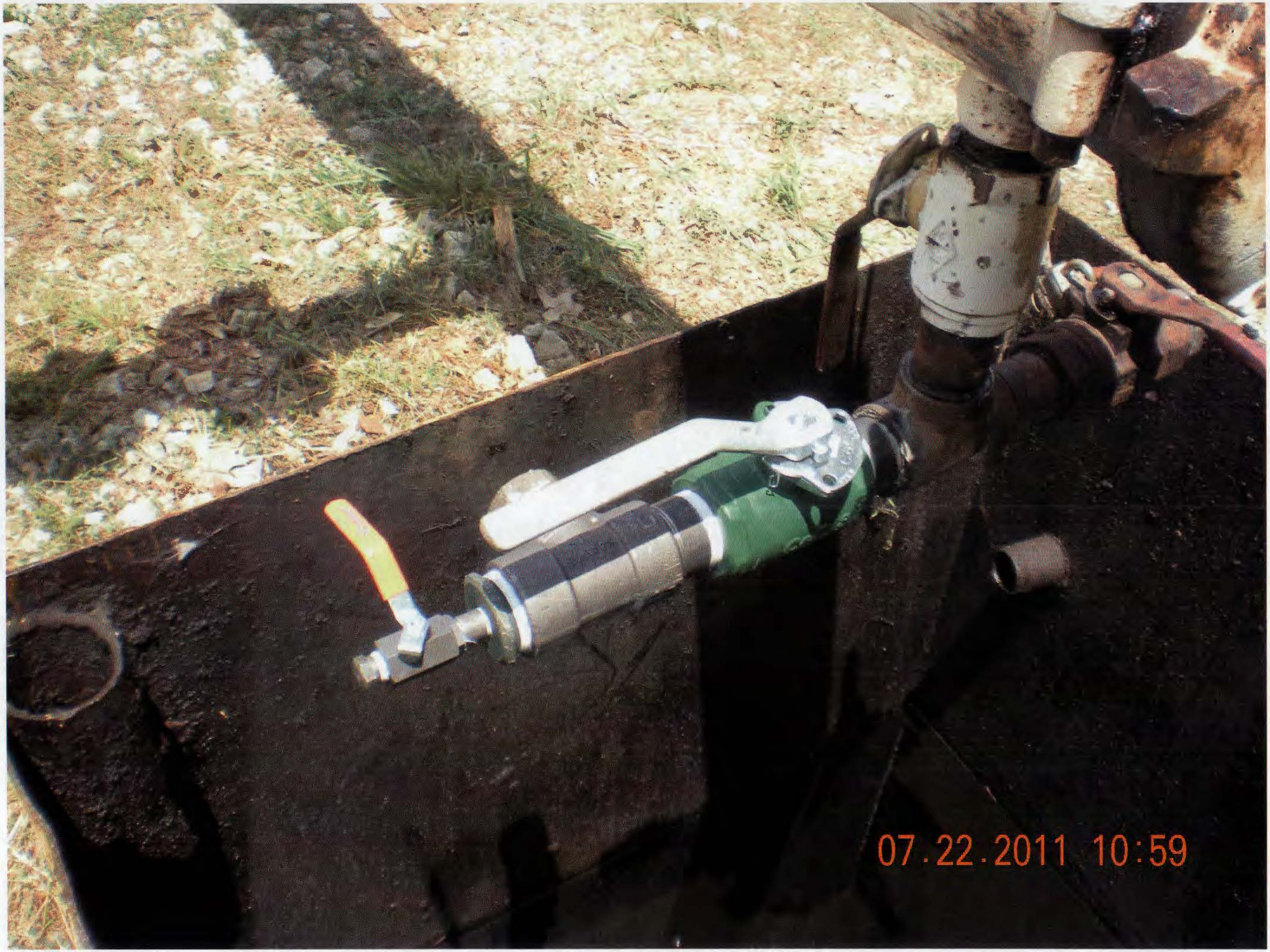
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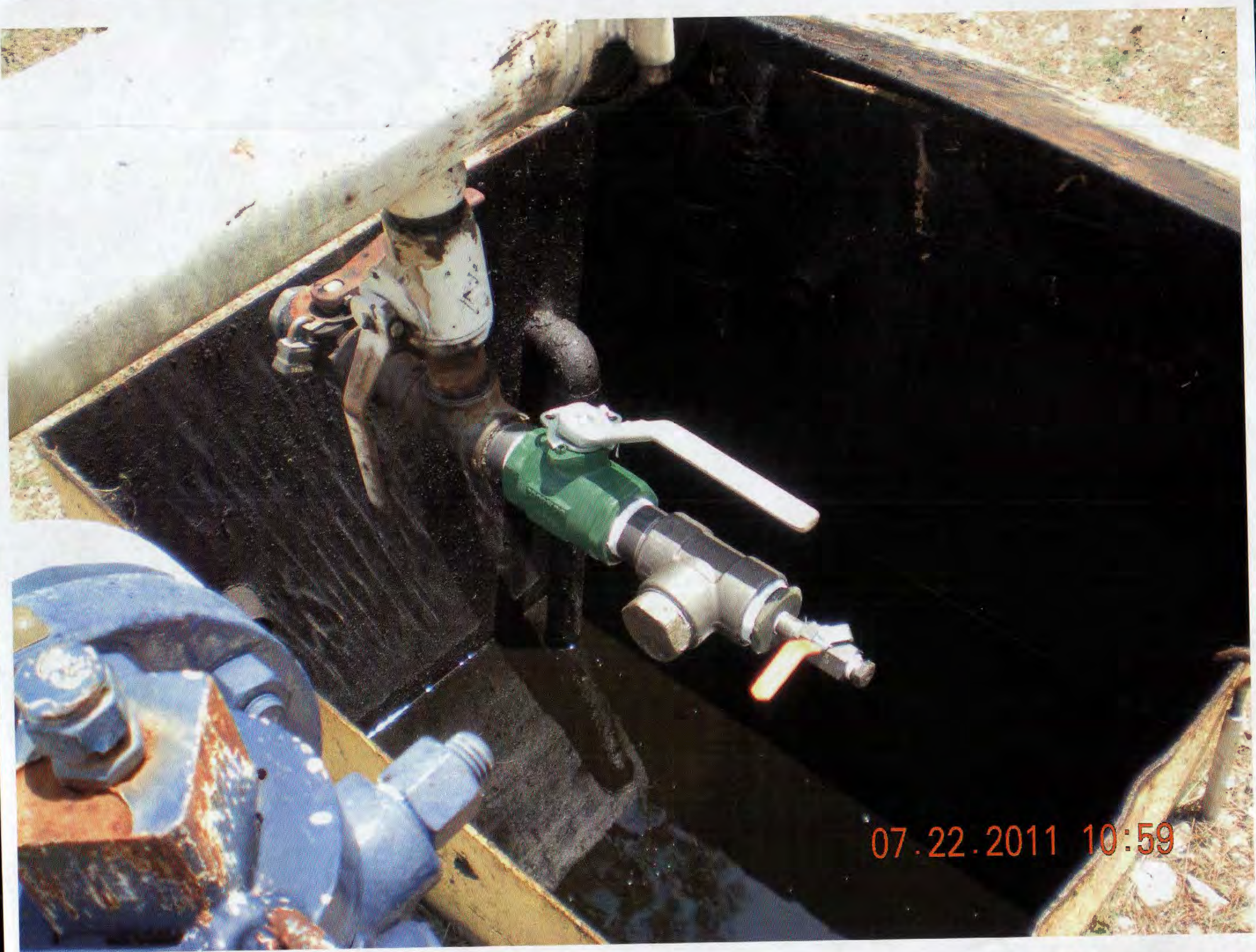
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# ATTACHMENT 3
# CORROSION COUPON LOCATION
# CALUMET REFINERY