

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

July 25, 2012

Mr. Joe Giglotto
Senior Vice President Operations
Hunt Crude Oil Supply Company
2200 Jack Warner Pkwy., Suite 400
Tuscaloosa, AL 35401

CPF 2-2012-5009W

Dear Mr. Giglotto:

From June 4-5, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) inspected Hunt Crude Oil Supply Company's (Hunt) Public Awareness Program at your Tuscaloosa, AL refinery office pursuant to Chapter 601 of 49 United States Code.

As a result of the inspection, it appears that Hunt has committed probable violations of the Pipeline Safety Regulations, in Title 49 of the Code of Federal Regulations. The items inspected and the probable violations are as follows:

1. §195.440 Public awareness.

(a) Each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see §195.3).

Hunt did not provide information on emergency preparedness communications in its baseline messages to Emergency Officials or Public Officials in accordance with *API 1162, Table 2-1 Summary Public Awareness Communications for Hazardous Liquids and Natural Gas Transmission Pipeline Operators*. The letter and brochure Hunt provided to Emergency Responders and Public Officials instructs them to, "From a safe location, call 9-1-1 or local EMS and the pipeline company, giving your name, phone number, leak description and location." While this message may be appropriate for the Affected Public, it is not appropriate for Emergency Officials and Public Officials possibly responding to a pipeline incident.

2. §195.440 Public awareness.

(a) Each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's (API) Recommended Practice (RP) 1162 (incorporated by reference, see §195.3).

Hunt did not provide baseline messages in 2008 to all of its Affected Public audience in accordance with *API 1162, Table 2-1 Summary Public Awareness Communications for Hazardous Liquids and Natural Gas Transmission Pipeline Operators*. While the brochure for the Affected Public was mailed to the Affected Public audience in Mississippi in 2008, it was not mailed to Affected Public audience in Alabama.

3. §195.440 Public awareness.

... (d) The operator's program must specifically include provisions to educate the public, appropriate government organizations, and persons engaged in excavation related activities on:

... (2) Possible hazards associated with unintended releases from a hazardous liquid or carbon dioxide pipeline facility;

Hunt did not provide information in its baseline message to the Affected Public on the possible hazards associated with an unintended release of product from its hazardous liquid pipeline facility. That is, the brochure Hunt sent to the Affected Public did not contain any information on the hazards associated with an unintended release from the Hunt hazardous liquid pipeline.

4. §195.440 Public awareness.

... (i) The operator's program documentation and evaluation results must be available for periodic review by appropriate regulatory agencies.

Hunt did not have adequate documentation to demonstrate that the 2006 baseline message material for the Affected Public was delivered in accordance with *API 1162, Table 2-1 Summary Public Awareness Communications for Hazardous Liquids and Natural Gas Transmission Pipeline Operators*. In 2006, Hunt contracted with Paradigm to deliver the baseline message to the Affected Public by mailing a brochure via the U.S Postal Service. Hunt did not have records, such as postal records or mailing lists, to adequately document that the mailings were completed.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item identified in this letter. Failure to do so will result in Hunt Crude Oil Supply Company being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 2-2012-5009W**. 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).

Sincerely,

Wayne T. Lemoi
Director, Office of Pipeline Safety
PHMSA Southern Region