

Pipeline and Hazardous Materials Safety Administration

NOTICE OF AMENDMENT

<u>CERTIFIED MAIL - RETURN RECEIPT REQUESTED</u>

March 14, 2011

John C. Mollenkopf, Sr. Vice President and COO Markwest Energy Appalachia, LLC 1515 Arapahoe Street, Tower 2, Suite 700 Denver, CO 80202

CPF 2-2011-5004M

Dear Mr. Mollenkopf:

Between November 29 and December 3, 2010, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) inspected the Markwest Energy Appalachia, LLC (Markwest) procedural manual for operations, maintenance, and emergencies at your pipeline office in Ashland, Kentucky, pursuant to Chapter 601 of 49 United States Code.

On the basis of the inspection, PHMSA has identified apparent inadequacies found within Markwest's procedures, as described below:

- 1. § 195.402 Procedural manual for operations, maintenance, and emergencies. ... (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:
 - ... (13) Periodically reviewing the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and taking corrective action where deficiencies are found.

Markwest's operations and maintenance (O&M) procedures were inadequate because they did not include specific procedure(s) covering the periodic review of work done by Markwest or contractor personnel to determine the effectiveness of the procedures used in maintenance and operations, and for taking corrective action if and when deficiencies were found.

In discussions with the operator during the inspection, it appeared the operator was having difficulties differentiating personnel performance from the effectiveness of the O&M procedures themselves.

2. § 195.505 Qualification program.

Each operator shall have and follow a written qualification program. The program shall include provisions to:

... (c) Allow individuals that are not qualified pursuant to this subpart to perform a covered task if directed and observed by an individual that is qualified;

Markwest's Operator Qualification (OQ) procedures were inadequate because Markwest did not include provisions to allow individuals that are not OQ qualified to perform a covered task, if directed, and observed by an individual that is OQ qualified. Specifically, Markwest did not address in its procedures the unique factors that influence the span of control for each covered task, but instead applied a span of control of 7-to-1 to all covered tasks.

3. § 195.571 What criteria must I use to determine the adequacy of cathodic protection?

Cathodic protection required by this Subpart 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 SP 0169 (incorporated by reference, see §195.3).

Markwest's corrosion control procedures were inadequate because they did not explain how Markwest would consider voltage drops (other than those across the structure-to-electrolyte boundary) in its annual cathodic protection survey pipe-to-soil readings. NACE SP0169–2007 Section 6.2.2.1.1 requires consideration be given to these voltage drops for valid interpretation of the voltage measurement.

4. § 195.577 What must I do to alleviate interference currents?

(a) For pipelines exposed to stray currents, you must have a program to identify, test for, and minimize the detrimental effects of such currents.

Markwest's corrosion control procedures for alleviating interference currents related to AC current interference were inadequate because they did not specify what Markwest considers as an acceptable level of AC current interference or the steps it would take to minimize the detrimental effects of such interference currents.

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 30 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 Markwest maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Wayne T. Lemoi, Director, Southern Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 2-2011-5004M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Wayne T. Lemoi

Director, Office of Pipeline Safety

PHMSA Southern Region

Enclosure: Response Options for Pipeline Operators in Compliance Proceedings