



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

901 Locust Street, Suite 462
Kansas City, MO 64106-2641

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 21, 2011

Robert Carlton
Vice President & Chief Compliance Officer
Southern Star Central Gas Pipeline
4700 Highway 56
Owensboro, KY 42301

CPF 3-2011-1017M

Dear Mr. Carlton:

On July 12, 13, and 14, 2011, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Southern Star Central Gas Pipeline (Southern Star) procedures for effectiveness evaluation for Public Awareness and Damage Prevention in Owensboro, KY.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Southern Star plans or procedures, as described below:

1. 49 CFR 192.616 (a)

Except for an operator of a master meter or petroleum gas system covered under paragraph (d) of this section, 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 Practices (RP) 1162 (incorporated by reference, *see* §192.7).

Southern Star Public Awareness Plan (PAP) procedures did not require adequate documentation of activities that support the Supplement Activities and Liaison with emergency response and public officials. The Southern Star PAP contained a table of Supplemental Activities but the procedure did not require documentation of these activities or how these activities would be used for effectiveness evaluation. The procedure did not require documentation of follow-up activities with emergency response and public officials who did not attend training/informational meetings. Southern Star must amend the PAP procedures to require documentation of these activities for use during effectiveness evaluations.

2. 49 CFR 192.616 (a)

Except for an operator of a master meter or petroleum gas system covered under paragraph (d) of this section, 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 Practices (RP) 1162 (incorporated by reference, see §192.7).

Southern Star PAP procedure does not require timely completion of Annual Audits after a plan Year has ended. Southern Star has completed Annual Audits for PAP Years 2007 (completed in September 2008), 2009 (completed in November 2010), and 2010 (completed in April 2011) and developed a list of recommendations for changes to the Plan in each of those years. The procedure does not require that Annual Audits must be completed in a timely manner as close as practicable to the end of the Plan year so that recommendations can be included in the following year's plan for implementation. Southern Star shall amend the PAP to include language that Annual Audits will be completed in a timely manner.

3. 49 CFR 192.616 (a)

Except for an operator of a master meter or petroleum gas system covered under paragraph (d) of this section, 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 Practices (RP) 1162 (incorporated by reference, see §192.7).

Southern Star PAP procedure for Effectiveness Evaluation does not require adequate measurement of bottom-line results. The PAP lists six Objectives but the procedure does not require data collection efforts, data analysis and effectiveness evaluation processes to be measured against achieving the Plan Objectives. Southern Star must amend the Effectiveness Evaluation process to require a clear connection in gathering data, evaluating data, and measuring results in support of Plan Objectives.

4. 49 CFR 192.616 (a)

Except for an operator of a master meter or petroleum gas system covered under paragraph (d) of this section, 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 Practices (RP) 1162 (incorporated by reference, *see* §192.7).

Southern Star PAP procedure does not require the use of Action Plans to ensure that recommended changes included in the 2010 Effectiveness Evaluation, completed in October 2010, are implemented. Southern Star must amend the Effectiveness Evaluation process to include a defined process for implementing the recommended changes in a timely manner.

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 [number of days] 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.

In correspondence concerning this matter, please refer to CPF 3-2011-1017M 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 'D. Barrett', with a stylized flourish at the end.

David Barrett
Director, Central Region
Pipeline and Hazardous Materials Safety Administration

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