



**ConocoPhillips
Pipe Line Company**

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April 16, 2009

Chris Hoidal, Director Western Region
Pipeline Hazardous Materials Safety Administration
12300 West Dakota Ave, Suite 110
Lakewood, CO 80228

RE: CPF No. 5-2009-5015

Dear Mr. Hoidal,

This letter is in response to your letter dated March 17, 2009 regarding the Notice of Probable Violation (NOPV), received by ConocoPhillips Pipe Line Company (CPPL) on March 23, 2009. CPPL does wish to contest the NOPV at this time, and requests a hearing to discuss the items identified below. CPPL plans to be represented by legal council at the hearing.

By submitting this response, CPPL does not waive any right, privilege or objection that it may have in any separate or subsequent proceeding related in any way to the information provided in this response.

Item.1 §195.452 Pipeline integrity management in high consequence areas.

(h) What actions must an operator take to address integrity issues?

(3) Schedule for evaluation and remediation. An operator must complete remediation of a condition according to a schedule prioritizing the conditions for evaluation and remediation. If an operator cannot meet the schedule for any condition, the operator must explain the reasons why it cannot meet the schedule and how the changed schedule will not jeopardize public safety or environmental protection.

PHMSA's Position

CPPL failed to notify PHMSA with respect to the reasons why it was unable to meet the schedule for immediate repair conditions on the Chase-Denver pipeline system or provide an explanation as to how the changed schedule would not jeopardize public safety or environmental protection.

On October 31, 2008, PHMSA met with CPPL and discussed pending repairs for the Denver- Chase pipeline. At this meeting, CPPL stated that a notification was submitted to the PHMSA Integrity Management Database in November 2007 when the need for repairs was originally identified. At the time of the meeting, PHMSA was unable to locate this notification and verbally requested further investigation by CPPL.

After further investigation, CPPL determined that the notification was not sent and communicated this to PHMSA verbally on November 6th and in their correspondence on November 17th, 2008. Further analysis of the chronology of events by your staff revealed that although the need for a pressure reduction was communicated to the Control Center and Denver Operations, due to operational limitations, the pressure deration was attempted but not sustained. In addition, the fact that the deration was not sustained was not adequately communicated internally so as to identify the need for notification to PHMSA. PHMSA views these actions as potentially jeopardizing public safety and minimizing the effectiveness of environmental protection measures.

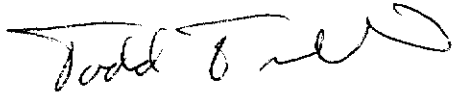
CPPL's Response

CPPL intends to discuss 3 issues in-regards to the NOPV and Proposed Civil Penalty.

- 1. PHMSA mentions that due to operational limitations, the pressure deration was attempted but not sustained. CPPL provided information showing that the pressure deration was sustained and that pressures were maintained so that the pipeline did not operate above 20% SMYS. Operating below 20% SMYS has been previously recognized by PHMSA as an acceptable means for providing safe operating conditions while repairs are being made to the pipeline.*
- 2. Based on the information provided, and the steps that were taken to operate the pipeline below 20% of SMYS, CPPL does not feel that the statement that our actions could potentially jeopardize public safety or the environment is justified.*
- 3. CPPL believes that the level of the fine associated with this type of violation is unjustified. CPPL bases this on the fact that a pressure deration was achieved and that a level of safety to ensure the protection of the public and environment were established and maintained.*

Should you or anyone in your staff have any questions please call or e-mail me.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd Tullio". The signature is fluid and cursive, with a long horizontal stroke at the beginning and a large loop at the end.

Todd Tullio
Manager, Regulatory Compliance

CC. Mike Miller CPPL
Mark Drumm CPPL
Van Williams