



U.S. Department  
of Transportation

**Pipeline and Hazardous  
Materials Safety Administration**

400 Seventh Street, S.W.  
Washington, D.C. 20590

FEB - 6 2007

Mr. Tom Winterton  
President  
Chevron Pipe Line Company  
4800 Fournace Pl  
Bellaire, TX 77401-2324

Re: CPF No. 4-2006-5038

Dear Mr. Winterton:

Enclosed is the Final Order issued by the Acting Associate Administrator for Pipeline Safety in the above-referenced case. It makes findings of violation and finds that you have completed the actions specified in the Notice of Probable Violation to comply with the pipeline safety regulations. This case is now closed. Your receipt of the Final Order constitutes service under 49 C.F.R. § 190.5.

Sincerely,

A handwritten signature in black ink, appearing to read 'James Reynolds'.

James Reynolds  
Pipeline Compliance Registry  
Office of Pipeline Safety

Enclosure

**VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

**DEPARTMENT OF TRANSPORTATION  
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION  
OFFICE OF PIPELINE SAFETY  
WASHINGTON, DC 20590**

In the Matter of )  
)

Chevron Pipe Line Company, )

Respondent )  
)

CPF No. 4-2006-5038

**FINAL ORDER**

On February 13–17, 27–28, and March 1–3, 2006, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), the Railroad Commission of Texas, and the Washington Utilities and Transportation Commission conducted an on-site pipeline safety inspection of Respondent’s Integrity Management Program (IMP) in Houston, Texas. As a result of the inspection, the Director, Southwest Region, PHMSA, issued to Respondent, by letter dated September 25, 2006, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent committed violations of 49 C.F.R. § 195.452 and proposed to order certain measures to correct the alleged violations.

Respondent responded to the Notice by letter dated October 20, 2006. Respondent did not contest the allegations of violation and agreed to complete the items in the Proposed Compliance Order. By letters dated November 17 and December 15, 2006, Respondent submitted documentation of compliance. Respondent did not request a hearing, and therefore Respondent waived its right to one.

**FINDINGS OF VIOLATION**

Respondent did not contest the violations alleged in the Notice. Accordingly, I find that Respondent violated the following provisions of 49 C.F.R. Part 195, as more fully described in the Notice:

49 C.F.R. § 195.452(f)(5), (g), and (j)(2) – failing to have a process for continual evaluation and assessment of pipeline integrity that is based on the factors specified in § 195.452(j)(2), including consideration of the results of the baseline and periodic integrity assessments, information analysis, decisions about remediation, and preventative and mitigative actions.

49 C.F.R. § 195.452(f)(5) and (j)(3) – failing to have a process for determining reassessment intervals based on the factors specified in § 195.452(j)(3).

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

### **COMPLIANCE ORDER**

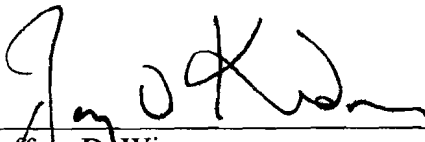
The Notice proposed a compliance order with respect to the violations. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquid by pipeline or who owns or operates a hazardous liquid pipeline facility is required to comply with the applicable safety standards established under Chapter 601. The Director, Southwest Region, has indicated that Respondent has taken the following actions in response to the Proposed Compliance Order:

Respondent amended its IMP to include trigger events, data sources, and evaluation frequency for risk analysis evaluations. Information and factors specified in § 195.452(j)(2) will be gathered and integrated in the evaluation. In addition to an annual review of pipeline threat risk, the root cause of events that occur on specific pipeline segments will be evaluated to obtain an assessment of the threat risk. The integrity reassessment method(s) and intervals will be reexamined against the updated risk analysis evaluation for appropriateness.

Respondent amended its IMP Pipeline Integrity Technologists (PIT) process flow charts to include an evaluation of the pipeline segment by gathering and integrating specified factors (Form F1.1) to determine reassessment intervals.

Respondent documented the costs associated with completing these corrective actions.

The Director, Southwest Region, has reviewed the corrective action taken by Respondent and has indicated that the corrective action has achieved compliance with respect to the violations. Accordingly, since compliance has been achieved, it is not necessary to include the compliance terms in this order. The terms and conditions of this Final Order are effective upon receipt.

  
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Jeffrey D. Wiese  
Acting Associate Administrator  
for Pipeline Safety

FEB - 6 2007

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Date Issued