



U.S. Department
of Transportation

**Pipeline and Hazardous
Materials Safety Administration**

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

SEP - 1 2006

Ms. Meg Yaege
President
ConocoPhillips Pipeline Company
600 N. Dairy Ashford
Houston, TX 77079

Re: CPF No. 4-2005-5034

Dear Ms. Yaege:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes findings of violation and assesses a civil penalty of \$12,000. I acknowledge receipt of and accept your wire transfer for \$12,000 as payment in full of the civil penalty assessed in the Final Order. The Final Order also acknowledges your completion of the proposed compliance order items to comply with the pipeline safety regulations. This case is now closed. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5

Sincerely,

James Reynolds
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

cc: R.M. Seeley
Director, Southwest Region, OPS

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)
)
ConocoPhillips Pipeline Company)
)
Respondent)

CPF No. 4-2005-5034

FINAL ORDER

On August 31, 2005, in accordance with 49 C.F.R. § 190.207, the Director, Southwest Region, Office of Pipeline Safety (OPS), issued Respondent a Notice of Probable Violation, Proposed Civil Penalty and Proposed Compliance Order (Notice). The Notice proposed finding that Respondent had committed violations of 49 C.F.R. Part 195 and proposed assessing a civil penalty of \$12,000 for one of the alleged violation. The Notice also proposed that Respondent take certain measures to correct one of the alleged violations. Respondent submitted a wire transfer in the amount of the proposed civil penalty (\$12,000), waiving further right to respond and authorizing the entry of this Final Order.

Pursuant to 49 C.F.R. § 190.213 and 49 U.S.C. § 60122, I find that Respondent violated the following sections of 49 C.F.R. Part 195, as more fully described in the Notice:

49 C.F.R. § 195.402(e)(9) (Notice Item 2) – failing to perform a post accident review for the April 2003 12-inch Wood River line break.

49 C.F.R. § 195.579(a) (Notice Item 4) – failing to measure internal corrosion of the pipeline at the Borger Crude Terminal.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent. Having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$12,000 for violation of § 195.579(a), already paid by Respondent.

The Notice also proposed a Compliance Order with respect to the violation of § 195.402(e)(9). Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety

standards established under Chapter 601. The Regional Director has indicated that Respondent has taken the following actions specified in the Proposed Compliance Order. Respondent has performed a post accident review for the April 2003 12-inch Wood River line break and submitted documentation of the review.

Accordingly, since compliance has been achieved with respect to this violation, the compliance terms are not included in this Order.

WARNING ITEMS

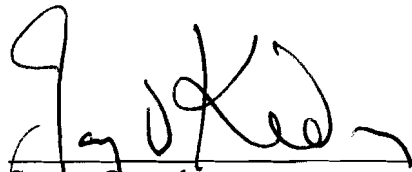
The Notice did not propose a civil penalty or corrective action for Items 1, 3 and 5 in the Notice; therefore, these are considered warning items. Respondent is warned that if it does not take appropriate action to correct these items, enforcement action will be taken if a subsequent inspection reveals a violation. The warnings were for -

49 C.F.R. § 195.264 (Notice Item 1) – failing to maintain tank dike volumes at the same level of the tank capacities volumes at the COP Greenville facility. Tank dike volumes have been reduced over time by sediment or erosion; and

49 C.F.R. § 195.404(a) (Notice Item 3) – failing to maintain current facility piping diagrams; and

49 C.F.R. § 195.579(c) (Notice Item 5) – failing to inspect the internal surface of a pipe for evidence of corrosion when the pipe had been removed from the pipeline.

The terms and conditions of this Final Order are effective on receipt.



Stacey Gerard
Associate Administrator
for Pipeline Safety

for

SEP - 1 2006

Date Issued