

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 25, 1998

Mr. Randy Hillman
Vice President of Pipeline Operations
Fina Pipeline Company
Box 1311
Big Spring, TX 79721

Dear Mr. Hillman:

CPF No. 48505-M

Between December 16 and 18, 1997, a representative of the Southwest Region, Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code, conducted an onsite pipeline safety inspection of the Fina Pipeline River system procedures and records in Big Spring, Texas. As a result of a review of your operating, maintenance, and emergency manuals, the requirements for which are set forth in §195.402(a), the following inadequate procedures were noted:

1. **§195.56 Filing safety-related condition reports**

§195.56(a) Each report of a safety-related condition under §195.55(a) must be filed (received by the Administrator) in writing within 5 working days (not including Saturdays, Sundays, or Federal holidays) after the day a representative of the operator first determines that the condition exists, but not later than 10 working days after the day a representative of the operator discovers the condition.

Your procedures are inadequate in that there are no procedures for filing a safety-related condition report.

2. **§195.120 Passage of internal inspection devices**

(a) Except as provided in paragraphs (b) and (c) of this section, each new pipeline and each line section of a pipeline where the line pipe, valve, fitting or other line component is replaced, must be designed and constructed to accommodate the passage of instrumented internal inspection devices.

Your procedures are inadequate in that there are no procedures requiring new construction and pipeline or other line component replacement to accommodate the passage of instrumented internal inspection devices.

3. **§195.402 Procedural manual for operations, maintenance, and emergencies.**
 - (a) **General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.**

Your procedures are inadequate in that there is no procedure for reviewing the manual at intervals not exceeding 15 months, but at least once each calendar year.

§195.402 Procedural manual for operations, maintenance, and emergencies.

The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:

4. **(c)(4) Determining which pipeline facilities are located in areas that would require an immediate response by the operator to prevent hazards to the public if the facilities failed or malfunctioned.**

Your procedures are inadequate in that there are no procedures to determine pipeline facilities that are located in areas that would require immediate response by the operator if the facilities failed or malfunctioned.

5. **(c)(10) Abandoning pipeline facilities, including safe disconnection from an operating pipeline system, purging of combustibles, and sealing abandoned facilities left in place to minimize safety and environmental hazards.**

Your procedures are inadequate in that there are no procedures for abandoning pipeline facilities.

6. **(c)(11) Minimizing the likelihood of accidental ignition of vapors in areas near facilities identified under paragraph (c)(4) of this section where the potential exists for the presence of flammable liquids or gases.**

Your procedures are inadequate in that there are no procedures for minimizing the likelihood of accidental ignition of vapors in areas near facilities identified under paragraph (c)(4).

7. **(c)(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.**

Your procedures are inadequate in that there are no procedures for reviewing work done by operator personnel and correcting actions when deficiencies are found..

8. **(c)(14) Taking adequate precautions in excavated trenches to protect personnel from the hazards of unsafe accumulations of vapor or gas, and making available when needed at the excavation, emergency rescue equipment, including a breathing apparatus and, a rescue harness and line.**

Your procedures are inadequate in that there are no procedures for taking adequate precautions in excavated trenches.

§195.402(d) Abnormal operation. The manual required by paragraph (a) of this section must include procedures for the following to provide safety when operating design limits have been exceeded:

9. **(d)(5) Periodically reviewing the response of operator personnel to determine the effectiveness of the procedures controlling abnormal operation and taking corrective action where deficiencies are found.**

Your procedures are inadequate in that there are no procedures for periodically reviewing operator response during abnormal operation and correcting any deficiencies found.

10. **§195.402(f) Safety-related condition reports.**

The manual required by paragraph (a) of this section must include instructions enabling personnel who perform operation and maintenance activities to recognize conditions that potentially may be safety-related conditions that are subject to the reporting requirements of §195.55.

Your procedures are inadequate in that there are no procedures for recognizing a safety-related condition.

11. **§195.406 Maximum operating pressure**
(a) Except for surge pressures and other variations from normal operations,

no operator may operate a pipeline at a pressure that exceeds any of the following:

- (1) The internal design pressure of the pipe determined in accordance with §195.106. However, for steel pipe in pipelines being converted under §195.5, if one or more factors of the design formula (§195.106) are unknown, one of the following pressures is to be used as design pressure:
 - (I) Eighty percent of the first test pressure that produces yield under section N5.0 of Appendix N of ASME B31.8, reduced by the appropriate factors in §195.106(a) and (e); or
 - (ii) If the pipe is 323.8 mm (12³/₄ in) or less outside diameter and is not tested to yield under this paragraph, 1379 kPa (200 psig).
- (2) The design pressure of any other component of the pipeline.
- (3) Eighty percent of the test pressure for any part of the pipeline which has been pressure tested under Subpart E of this part.
- (4) Eighty percent of the factory test pressure or of the prototype test pressure for any individually installed component which is excepted from testing under §195.304.
- (5) For pipelines under §195.302(b)(1) and (b)(2)(I), that have not been pressure tested under Subpart E of this part, 80 percent of the test pressure or highest operating pressure to which the pipeline was subjected for 4 or more continuous hours that can be demonstrated by recording charts or logs made at the time the test or operations were conducted.

Your procedures are inadequate in that there are no procedures for calculating what the MOP of the system is.

12. **§195.410 Line markers**

(a) Except as provided in paragraph (b) of this section, each operator shall place and maintain line markers over each buried pipeline in accordance with the following:

- (1) Markers must be located at each public road crossing, at each railroad crossing, and in sufficient number along the remainder of each buried line so that its location is accurately known.
- (2) The marker must state at least the following: "Warning" followed by the words "Petroleum (or the name of the hazardous liquid transported) Pipeline" or "Carbon Dioxide Pipeline" (in lettering at least 1 inch high with an approximate stroke of one-quarter inch on a background of sharply contrasting color), the name of the operator and a telephone number (including area code) where the operator can be reached at all times.

(b) Line markers are not required for buried pipelines located-

- (1) Offshore or at crossings of or under waterways and other bodies of water;

or

(2) In heavily developed urban areas such as downtown business centers where-

(I) The placement of markers is impracticable and would not serve the purpose for which markers are intended; and

(ii) The local government maintains current substructure records.

(c) Each operator shall provide line marking at locations where the line is aboveground in areas that are accessible to the public.

Your procedures are inadequate in that there are no procedures for where line markers should be placed and what information must be on the line marker.

13. §195.416 External corrosion control

(a) Each operator shall, at intervals not exceeding 15 months, but at least once each calendar year, conduct tests on each buried, in contact with the ground, or submerged pipeline facility in its pipeline system that is under cathodic protection to determine whether the protection is adequate.

(e) Whenever any buried pipe is exposed for any reason, the operator shall examine the pipe for evidence of external corrosion. If the operator finds that there is active corrosion, that the surface of the pipe is generally pitted, or that corrosion has caused a leak, it shall investigate further to determine the extent of the corrosion.

(f) Any pipe that is found to be generally corroded so that the remaining wall thickness is less than the minimum thickness required by the pipe specification tolerances must either be replaced with coated pipe that meets the requirements of this part or, if the area is small, must be repaired. However, the operator need not replace generally corroded pipe if the operating pressure is reduced to be commensurate with the limits on operating pressure specified in this subpart, based on the actual remaining wall thickness.

(g) If localized corrosion pitting is found to exist to a degree where leakage might result, the pipe must be replaced or repaired, or the operating pressure must be reduced commensurate with the strength of the pipe based on the actual remaining wall thickness in the pits.

Your procedures are inadequate in that there are no procedures for:

§195.416(a)...investigating conditions where a casing may be shorted, and what remedial action is taken to clear a shorted casing.

§195.416(e)...examining buried pipe that is exposed for any reason and determining the extent of corrosion.

§195.416(f) and (g)...determining whether corroded pipe is replaced, repaired or the operating pressure is reduced.

14. **§195.418 Internal corrosion control**

§195.418(d) Whenever any pipe is removed from the pipeline for any reason, the operator must inspect the internal surface for evidence of corrosion. If the pipe is generally corroded such that the remaining wall thickness is less than the minimum thickness required by the pipe specification tolerances, the operator shall investigate adjacent pipe to determine the extent of the corrosion. The corroded pipe must be replaced with pipe that meets the requirements of this part or, based on the actual remaining wall thickness, the operating pressure must be reduced to be commensurate with the limits on operating pressure specified in this subpart.

Your procedures are inadequate in that there are no procedures for inspecting the internal surface of any pipeline removed for any reason, investigating adjacent pipe, or determining whether the pipe is replaced or the operating pressure reduced.

15. **§195.426 Scraper and sphere facilities**

No operator may use a launcher or receiver that is not equipped with a relief device capable of safely relieving pressure in the barrel before insertion or removal of scrapers or spheres. The operator must use a suitable device to indicate that pressure has been relieved in the barrel or must provide a means to prevent insertion or removal of scrapers or spheres if pressure has not been relieved in the barrel.

Your procedures are inadequate in that there are no procedures for requiring a relief device on a launcher or receiver. In addition, there are no procedures requiring an operator to use a suitable pressure indicating device or providing a means to prevent opening of the barrel under pressure.

16. **§195.430 Firefighting equipment.**

Each operator shall maintain adequate firefighting equipment at each pump station and breakout tank area. The equipment must be-

- (a) In proper operating condition at all times;**
- (b) Plainly marked so that its identity as firefighting equipment is clear; and,**
- (c) Located so that it is easily accessible during a fire.**

Your procedures are inadequate in that there are no procedures for maintaining, marking and locating firefighting equipment.

17. **§195.434 Signs**

Each operator shall maintain signs visible to the public around each pumping station and breakout tank area. Each sign must contain the name of the operator and an emergency telephone number to contact.

Your procedures are inadequate in that there are no procedures for maintaining signs and specifying the sign content.

18. **§195.436 Security of facilities**

Each operator shall provide protection for each pumping station and breakout tank area and other exposed facility (such as scraper traps) from vandalism and unauthorized entry.

Your procedures are inadequate in that there are no procedures describing the methods to be used for protection of exposed facilities from vandalism and unauthorized entry.

19. **§195.438 Smoking or open flames**

Each operator shall prohibit smoking and open flames in each pump station area and each breakout tank area where there is a possibility of the leakage of a flammable hazardous liquid or of the presence of flammable vapors.

Your procedures are inadequate in that there are no procedures prohibiting smoking or open flames in pump stations or breakout tanks areas where there is the possibility of flammable liquid leakage or vapors present.

As provided in 49 C.F.R. §190.237, this notice serves as your notification that this office considers your procedures/plans inadequate. Under 49 C.F.R. §190.237, you have a right to submit written comments or request an informal hearing. You must submit written comments or a request for a hearing with 30 days after receipt of this notice. After reviewing the record, the Associate Administrator for Pipeline Safety will determine whether your plans or procedures are adequate. The criteria used in making this determination are outlined in 49 C.F.R. §190.237. If you do not wish to contest this notice, please provide your revised procedures within 60 days of receipt of this notice. Please refer to CPF No. 48505-M in any correspondence/communication on this manner.

Sincerely,

R. M. Seeley
Regional Director, Southwest Region

Enclosure

PROPOSED AMENDMENTS

The Office of Pipeline Safety requests that Fina Pipeline Company amend its procedural manual for the River Pipeline System as specified below. Each numbered statement corresponds to the same numbered paragraph in the Notice of Amendment.

1. Develop a procedure for filing safety-related condition reports.
2. Develop a procedure for identifying when new construction or other pipeline or component replacement must accommodate the passage of instrumented internal inspection devices.
3. Develop a procedure for reviewing the procedural manual.
4. Develop a procedure to determine pipeline facilities that are located in areas that would require immediate response by the operator if the facilities failed or malfunctioned. For example, what demographic and geographic data must be considered by field, environmental and supervisory personnel to assist them in determining what pipeline facilities are located in areas that require immediate response in the event of failure or malfunction? Are there pipeline facilities in these areas that place the people in the area at a higher risk of death or injury? Are there environmental features that might increase the danger?
5. Develop a procedure for pipeline abandonment.
6. Develop a procedure for minimizing the likelihood of accidental ignition of vapors in areas near facilities identified under paragraph §195.402(c)(4).
7. Develop a procedure for reviewing the work of operator personnel to determine procedure effectiveness and taking corrective actions when deficiencies are found.
8. Develop a procedure for taking adequate precautions in excavated trenches.
9. Develop a procedure for periodically reviewing operator personnel response during abnormal operation and taking corrective actions when deficiencies are found.
10. Develop a procedure for recognizing safety-related conditions.
11. Develop a procedure for documenting how MOP of the system is determined.
12. Develop a procedure for where line markers should be placed and what information must be on the line marker.

13. Develop a procedure for:
 - (a) investigating conditions where casings may be shorted and determining what remedial actions are necessary to clear the short
 - (b) examining buried pipe that is exposed for any reason for external corrosion and determining the extent of corrosion
 - (c) determining whether corroded pipe should be replaced, repaired or the operating pressure reduced.
14. Develop a procedure for inspecting the internal surface of any pipeline removed for any reason, investigating adjacent pipe and determining whether pipe should be replaced or the operating pressure reduced.
15. Develop a procedure to ensure adequate relief capability and requiring the operator to use a suitable device to indicate that pressure has been relieved from the barrel or providing a means to prevent opening of the barrel under pressure.
16. Develop a procedure for maintaining, marking and locating firefighting equipment.
17. Develop a procedure for maintaining signs and specifying the sign content.
18. Develop a procedure for protecting exposed facilities from vandalism and unauthorized entry.
19. Develop a procedure for ensuring smoking and open flames are prohibited from pump stations or breakout tank areas where there is the possibility of flammable liquid leakage or vapors present.