

September 18, 2009

Ms. Cynthia Douglass  
Acting Deputy Administrator  
Pipeline and Hazardous Materials  
Safety Administration  
1200 New Jersey Avenue, SE  
East Building, 2nd Floor, PH  
Washington, DC 20590

Dear Ms. Douglass:

Thank you for the October 2, 2008, letter from Mr. Rick Kowalewski, Acting Assistant Administrator/Chief Safety Officer, concerning Safety Recommendation P-07-9, stated below. The National Transportation Safety Board (NTSB) issued this recommendation to the Pipeline and Hazardous Materials Administration (PHMSA), on June 25, 2007, as a result of the NTSB's investigation of the October 27, 2004, anhydrous ammonia pipeline rupture that occurred near Kingman, Kansas.

P-07-9

Require an operator to revise its pipeline risk assessment plan whenever it has failed to consider one or more risk factors that can affect pipeline integrity.

The NTSB notes that PHMSA reviewed its inspection protocols and process for adequacy. PHMSA reports that its inspections provide a comprehensive and systematic approach to evaluating operator compliance with all integrity management program requirements in 49 *Code of Federal Regulations* (CFR) 195.452 and that it believes its inspection protocols explicitly address the completeness of an operator's risk analysis.

To support the inspection protocols, PHMSA developed comprehensive enforcement guidance to assist its inspectors in evaluating integrity management programs, which detail the explicit steps that must be followed to select the appropriate enforcement action and to determine the relative severity of the issues identified in the inspection. This guidance provides additional information to help inspectors ensure that an operator has complied with all requirements and draws on the risk factors listed in 49 CFR 195.452, Appendix C to Part 195, and the API (American Petroleum Institute) Standard 1160, *Managing System Integrity for Hazardous Liquid Pipelines*. When operators fail to consider one or more risk factors, PHMSA will address deficiencies through enforcement actions. PHMSA's integrity management enforcement guidance has been revised to include the following explicit direction to inspectors and regional directors who prepare enforcement cases:

If one or more of the probable violations or inadequate procedures deals with the incomplete consideration of risk factors, then the proposed compliance order or Notice of Amendment must explicitly direct the operator to consider all risk factors in revising its information/risk analysis, periodic evaluations, assessment plans, and determining necessary preventive and mitigative measures.

Because PHMSA revised its integrity management enforcement guidance to ensure that operators revise their pipeline risk assessment plans when it is found that they have failed to consider one or more risk factors that affect pipeline integrity, Safety Recommendation P-07-9 is classified “Closed—Acceptable Action.”

Thank you for your commitment to pipeline safety.

Sincerely,

Original Signed By:

Deborah A. P. Hersman  
Chairman

cc: Ms. Linda Lawson, Director  
Office of Safety, Energy, and Environment  
Office of Transportation Policy

Ms. Dani Brzezinska  
Policy Analyst  
Office of Transportation Policy  
Department of Transportation  
400 7th St., S.W., Room 10309  
Washington, D.C. 20590