



U.S. Department
of Transportation

1200 New Jersey Avenue, SE
Washington, DC 20590

**Pipeline and Hazardous
Materials Safety Administration**

July 2, 2024

Mr. Thomas J. McLane
Director, Regulatory Compliance
Torrance Pipeline Company LLC
12851 E 166th Street
Cerritos, CA 90703

Dear Mr. McLane:

In a letter to the Pipeline and Hazardous Materials Safety Administration (PHMSA), dated February 8, 2024, you requested an interpretation of the Federal pipeline safety regulations in 49 Code of Federal Regulations (CFR) Part 195 with respect to integrity management (IM) requirements under § 195.452 for pipelines in high consequence areas (HCA).

You stated that Torrance Pipeline Company (TPC) has been in communication with PHMSA with regards to an M-141, an 8-inch jet fuel pipeline owned by TPC and located in Southern California. You stated that a 2015 repair plan prepared by the prior operator of the pipeline included a conservative application of one of the potential repair conditions triggering 180-day remediation under § 195.452(h)(4)(iii)(G).

You stated since TPC took over ownership of the pipeline in July 2016 it has undertaken a comprehensive review of the pipeline under Part 195, including two inline inspections (ILI) performed in 2019 and 2023. You stated review of the ILI inspection results has revealed that the prior operator categorized 225 linear anomalies in the pipeline as actionable "cracks" that require 180-day evaluation and remediation under § 195.452(h)(4)(iii)(G) even though they did not actually meet the threshold for requiring repair. You stated because the prior operator incorrectly classified them as 180-day repair conditions, TPC was then inherently required to follow the 2015 repair plan submitted to California Office of Pipeline Safety State Fire Marshal (CALFIRE) to address the remaining anomalies within the 180-day repair plan. You stated, however, your investigation revealed that the prior pipeline operator never conducted any excavation or other field verification of the pipeline to confirm whether the anomalies flagged by its inspections were actual cracks in the pipeline.

You stated TPC has since performed extensive analysis of the physical pipeline conditions, including nondestructive testing, material analysis of pipe cutouts, and data analysis. You stated you also have confirmed that no long seam or crack related failures had ever occurred in this system at working pressures or during a hydrostatic test. You stated in September 2023 you ran a nondestructive testing (NDT) crack tool and confirmed that 100 percent of the remaining unrepaired anomalies outlined by the 2015 previous owner's repair plan do not meet repair criteria. You asked PHMSA to provide an interpretation of whether § 195.452 requirements

allow you to carry out a revised repair plan based on actionable anomalies supported by your data. Also, you requested that PHMSA close or remove Integrity Assurance Notifications (formerly IMDB) #560 / 19-167314 and allow TPC to establish a new repair plan and schedule to complete any remaining conditional repairs per the PHMSA-compliant TPC IM plan.

Section 195.452(h)(2) requires certain listed anomalies to be scheduled for evaluation and remediation within 180 days. Discovery of a condition that does not meet the threshold of a 180-day condition would not normally require repair within 180 days. However, § 195.452 is a minimum standard. When operating and maintaining a pipeline system, an operator sometimes will make conservative assumptions or otherwise implement its IM program to exceed the minimum requirements established by regulation to ensure the safety of pipeline. Where an operator's IM plan treats more conservative conditions as 180-day conditions, the operator must follow its IM plan and repair the conditions according to the timeline set forth in the plan.

You stated your investigation revealed that the prior pipeline operator did not conduct any excavation or other field verification of the pipeline to confirm whether the anomalies flagged by its inspection were actual cracks in the pipeline. Also, you stated TPC has since performed extensive analysis of the physical pipeline conditions, including nondestructive testing, material analysis of pipe cutouts, and data analysis. In this case, you suggest certain conditions on your pipeline previously thought to be 180-day conditions do not actually qualify as 180-day conditions. Furthermore, you ask PHMSA to approve and/or concur with TPC's reassessment of the anomalies and establishment of a new repair plan.

You are correct that § 195.452(f) states, "An operator must continually change the program to reflect operating experience, conclusions drawn from results of the integrity assessments, and other maintenance and surveillance data, and evaluation of consequences of a failure on the high consequence area." This regulation recognizes operators will amend their plans from time to time. Therefore, you are not precluded from amending the 2015 repair plan. The regulator, in this case CALFIRE, could review the new repair plan to determine if it complies with the regulation and does not otherwise create an unsafe condition.

As to your request for PHMSA to close or remove Integrity Assurance Notification 19-167314, CALFIRE decides whether and when to change the status of the notification.

If we can be of further assistance, please contact Tewabe Asebe at 202-366-5523.

Sincerely,

John A. Gale
Director, Office of Standards
and Rulemaking



Torrance Pipeline
Company LLC
12851 E. 166th St.
Cerritos, CA 90703
www.pbfenergy.com

February 8, 2024

Via E-mail

Mr. John A. Gale
Director, Office of Standards and Rulemaking
United States Department of Transportation
Pipeline and Hazardous Materials Safety Administration ("PHMSA")
Office of Pipeline and Hazmat Safety Standards and Rulemaking
1200 New Jersey Avenue, SE
Washington, DC 20590-0001
Email: john.gale@dot.gov

**Re: Request for Interpretation and Approval/Concurrence Under 49 C.F.R.
§ 195.452 – Pipeline Integrity Management in High Consequence Areas**

Dear Mr. Gale:

This letter is a request for PHMSA's interpretation and approval of, and/or concurrence with, a revised element of an integrity management program pursuant to 49 C.F.R. § 195.452 *et seq.* Specifically, Torrance Pipeline Company (TPC) has been in communication with PHMSA with regards to the above referenced and has gathered information indicating that a 2015 repair plan prepared by the prior operator of the M-141 8-inch jet fuel pipeline now owned by TPC (the "Pipeline") included a critical misinterpretation of one of the potential repair conditions triggering 180-day remediation under 49 C.F.R. § 195.452(h)(4)(iii)(G).

As Section 195.452(f) provides, operators of hazardous liquid pipelines regulated by § 195.1(a) and § 195.452 not only must develop an integrity management program, but importantly, also "must continually change the program to reflect operating experience, conclusions drawn from results of the integrity assessments, and other maintenance and surveillance data, and evaluation of consequences of a failure on the high consequence area."

Since taking ownership of the Pipeline in July 2016, TPC has undertaken a comprehensive review of the Pipeline under 49 C.F.R. Part 195, including two inline inspections (ILI) performed in October 2019 and 2023. This review has revealed that, in 2015, the prior operator performed an Integrity Seam Assessment of the Pipeline pursuant to Section § 195.452 using a Rosen UCD + TFI tool, and based on that data, the prior operator incorrectly categorized 225 linear anomalies in the Pipeline as actionable “cracks” purportedly requiring 180-day evaluation and remediation under 49 C.F.R. § 195.452(h)(4)(iii)(G). Inconsistent with its integrity management program, TPC was then inherently required to follow the repair plan submitted to California Office of Pipeline Safety State Fire Marshal (OSFM) to address the remaining anomalies from this unsubstantiated 180-day repair plan.

Section 195.452(h)(4)(iii)(G) provides in relevant part that “an operator must schedule evaluation and remediation of the following within 180 days of discovery of the condition: . . . (G) A potential crack indication that *when excavated* is determined to be a crack.” 49 C.F.R. § 195.452(h)(4)(iii)(G) (emphasis added). Here, TPC’s investigation revealed that the prior Pipeline operator failed to conduct any excavation or other field verification of the Pipeline to confirm whether the anomalies flagged by the Rosen tool were actual cracks in the Pipeline. Because of this, the prior operator failed to confirm its blanket characterization of the anomalies as “cracks” through excavation or any other field work, and its treatment of these anomalies as “cracks” fails to conform to the regulatory definition provided in Section § 195.452(h)(4)(iii)(G).

TPC has since performed extensive analysis of the physical Pipeline conditions, including non-destructive testing, material analysis of pipe cutouts, and data analysis using the latest industry technology and standards. TPC also has confirmed that no long seam or crack related failures had ever occurred in this system at working pressures or during a hydrostatic test. To further strengthen its reassessment of the Pipeline anomalies, in September of 2023, TPC ran an NDT Global UCx Eclipse state-of-the-art crack tool and confirmed that, of the remaining unrepaired anomalies outlined by the 2015 repair plan, 100% of them do not meet repair criteria per any available industry standards, TPC IMP process, nor 49 C.F.R. § 192.714(d) at the behest of the California Office of the State Fire Marshal.

Accordingly, pursuant to 49 C.F.R. § 190.11(b), TPC is requesting that PHMSA approve and/or concur with this interpretation and TPC’s reassessment of the actionable anomalies with the Pipeline, allowing TPC to instead carry out a revised repair plan based on actionable anomalies as supported by the data gathered with the state-of-the-art UCx tool run. TPC would also request that PHMSA close or remove Integrity Assurance Notifications (formerly IMDB) #560 / 19-167314 and allow TPC to establish a new repair plan and schedule to complete any remaining conditional repairs per the PHMSA compliant TPC Integrity Management Plan.

We appreciate your attention and assistance on this matter. Please do not hesitate to contact me if you have any questions or want to discuss any of these issues in more detail.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Thomas J. McLane", with a stylized flourish at the end.

Thomas J. McLane
Director, Regulatory Compliance

cc. Jim Hosler, Chief of Pipeline Safety and CUPA Programs. CAL FIRE – Office of the State Fire Marshal,
Pipeline Safety Division

