



U.S. Department of Transportation  
**Pipeline and Hazardous Materials  
Safety Administration**

1200 New Jersey Ave, S.E.  
Washington, D.C. 20590

**APR 02 2015**

Mr. Robert Ellis  
Vice President Operations  
EnVen Energy Ventures, LLC  
3850 N. Causeway Boulevard  
Suite 1770  
Metairie, LA 70002

Dear Mr. Ellis:

In a letter to the Pipeline and Hazardous Materials Safety Administration (PHMSA) dated December 19, 2014, you requested an interpretation of the applicability of the control room management regulations in 49 CFR 195.446 to your crude oil pipeline.

You stated that EnVen Energy Ventures, LLC (EnVen) recently acquired Shell Oil's Cognac platform located in the Mississippi Canyon Block 194A on the Outer Continental Shelf, including the Cognac 12-inch Crude Oil pipeline, which is approximately 28 miles long and carries crude oil from the platform to the South West Pass Block 24 terminal operated by Hilcorp (Harvest Pipeline).

You stated that EnVen plans to have continuous monitoring of the pipeline operations from the Cognac platform via a local Supervisory Control and Data Acquisition (SCADA) system. The pipeline will normally be controlled via SCADA supplied automated programmable logic which includes automated safety devices that will shut down the pumps delivering crude oil to the pipeline in case of high or low pressure, or low flow. There are local start/stop controls at the individual components, such as the pumps and valves, should there be a need to bypass the automated logic control. The platform operators are not using the SCADA to remotely control operations of the pipeline facilities; they are only monitoring the operational status of the pipeline via the SCADA system. At the land based facility, there are three locally controlled valves used for normal flow and pig receiving. The platform SCADA only monitors the status of these valves and does not have the ability to control their operation. These valves are locally controlled for pigging the pipeline and in the event the platform is shut-in.

You stated that EnVen does not believe it has personnel that meet the definition of a controller found in 49 CFR 195.2. The platform operators only monitor operations of the pipeline facility from the SCADA, they do not control from the SCADA. The platform operator does not direct other personnel to take specific actions based upon monitoring of the SCADA. The pipeline components (pumps, valves, etc.) are only operated locally and the SCADA is not capable of operating these components. All control actions are either performed by the automated logic programmed into the SCADA or locally operated with manual on/off switches at the pipeline

The Pipeline and Hazardous Materials Safety Administration. Office of Pipeline Safety provides written clarifications of the Regulations (49 CFR Parts 190-199) in the form of interpretation letters. These letters reflect the agency's current application of the regulations to the specific facts presented by the person requesting the clarification. Interpretations do not create legally-enforceable rights or obligations and are provided to help the public understand how to comply with the regulations.

components. In addition, EnVen does not believe it has an operational center that meets the definition of a control room found in 49 CFR 195.2. The platform operators have not been charged with the responsibility of remotely controlling the pipeline. Because EnVen does not have personnel that meet the definition of controller and does not have an operation center that meets the definition of a control room, EnVen believes the control room management requirements found under § 195.446 do not apply. Therefore, you request PHMSA's interpretation as to the applicability of the control room management regulations in § 195.446 to your crude oil pipeline.

On February 3, 2015, my staff requested additional information and you responded to the request on February 4, 2015. PHMSA's questions and your responses are as follows

PHMSA Question: After monitoring the SCADA system, what actions would be undertaken when the personnel on the platform become aware of an abnormal or emergency condition on the pipeline?

EnVen Energy Response: The pipeline and platform are set up with programmable logic and safety devices that would automatically shut the pipeline pumps down immediately and keep the pumps offline until qualified platform personnel could then investigate and act appropriately.

PHMSA Question: Would the personnel analyze the SCADA displays to determine a course of action or who to call to intervene or personally correct the situation?

EnVen Energy Response: No, the course of action is already set with the platform and pipeline safety system. The pipeline pumps would be shut in or not allowed to come on line until the qualified personnel determine the issue at hand and act accordingly with respect to established protocol and existing procedures.

PHMSA Question: If automatic switches, independent of the SCADA system, are used to shut off the pipeline system, then why is the SCADA system needed?

EnVen Energy Response: SCADA is not required; however, EnVen typically uses SCADA to monitor current conditions and document historical data on its important platforms and or flow lines.

PHMSA Question: Do the job descriptions of the platform personnel include direction about what to do when a pipeline upset condition occurs?

EnVen Energy Response: Yes, the job descriptions and required training do provide appropriate direction.

PHMSA Question: Who monitors the traveling of the pig?

EnVen Energy Response: The Platform does and documents this daily on our morning reports.

PHMSA Question: How are other elements of safety systems such as hydrogen sulfide or Fire or Gas handled – does it automatically shut in the pipeline?

EnVen Energy Response: Our platform safety systems continually monitor our operating conditions and will shut in the entire platform including the pipeline pumps should there be an upset.

PHMSA Question: Do the platform personnel override these abnormal conditions?

EnVen Energy Response: No. As per EnVen standards and Government regulations, we never override any safety system during abnormal conditions.

PHMSA Question: What is the purpose of the SCADA monitoring or the outcome of the response to the information?

EnVen Energy Response: EnVen does trend analysis with the historic data and likes the ability to get real time data if needed.

PHMSA Question: What are the abnormal operating conditions or abnormal operations identified and who responds to those?

EnVen Energy Response: As this pertains to the DOT pipeline: Our qualified operators will respond to all of the items listed below:

- High Pressure, Pressure Safety High Sensor that shuts in the pipeline pumps.
- Low Pressure, Pressure Safety Low Sensor that shuts in the pipeline pumps.
- Back flow, Installed flow safety valves.
- Product loss, we communicate with the receiving station to double check volumes pumped and received. As mentioned above, we will have SCADA to look for condition trends and or irregularities in pressure and volume.
- Other emergency situations, such as Fire, Explosions..., TSE System (Temperature Safety Element) actuates a platform and pump shut in automatically.
- Communication loss, we have backup generators for power loss, and battery powered satellite phones to insure that we have communication.
- Operator Error, our automatic safety devices will shut in the pipeline pumps.

PHMSA Question: You mentioned that, at the end of your downstream pipeline, crude oil is stored. Is the storage a breakout tank? If not please explain how the crude oil is introduced into the downstream operator's pipeline.

EnVen Energy Response: The oil, pumped from the platform is pipeline quality oil and is pumped through our pipeline into the onshore facility header and then into the facility storage tank.

On February 12, 2015, a PHMSA engineering staff called you and discussed your platform setup as follows:

The pipeline is a 12-inch, 28-mile long oil pipeline connecting the Cognac Production Platform (located in 1,025 feet of water and operated under Bureau of Safety and Environmental Enforcement (BSEE) jurisdiction), to South West Pass 24/25 Harvest Processing Facility; the operators on the offshore platform have the lease automatic custody transfer (LACT) pumps set up per BSEE safety regulations with pressure safety high (106 psi) and low (49 psi) settings during pumping operations; these pumps

generally operate at 60 psi; when the pipeline pumps are shut down, the pipeline pressure is less than 5 psi; on the platform, the wells flow into oil storage tanks that have level controls that turn on and off the LACT pumps; these pipeline pumps will kick on and off when a certain level is reached.

Also, you stated that the pumps are shut off automatically and/or not allowed to pump if there are major upsets on the platform. This is done because the pipeline pumps are activated automatically by level controls in the oil tanks. In addition, there are times that the pumps will be turned on and off manually (testing, meter proving, pigging maintenance, etc). This operation is not directed by a land based controller/operator. When receiving a pig, the land operator will be communicating with your platform operator as described in your pigging procedure. Your operators man the platform 24 hours a day; your operators can respond to an alarm immediately; the pumps are run for approximately 2.5-2.8 hours a day. The pumps will turn on and off as dictated by the tank level controls and will run for 5-7 minutes during one of its 24 daily cycles, and your platform operators are in daily contact with the land based receiving station to double check daily volumes pumped and received.

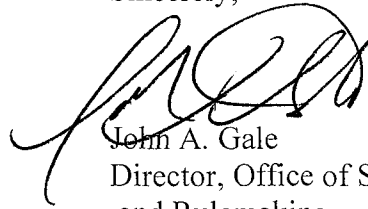
In addition, whenever you fly from your Rotorcraft Leasing Company Venice Air Base to the Cognac platform and back, your pilot and operators do a visual inspection of the pipeline route, and this is done a minimum of once a week. You have a sonic meter at the South West Pass 24/25 Facility, and it is externally attached to your pipeline and is calibrated monthly or as needed to double check the throughput volumes received. The SCADA is used to only monitor the activities on the pipeline and there are no controls. Also, your offshore operators are regulated by your DOT procedures and are not given direction by your land based personnel.

Section 195.446 applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. A person that has responsibility to monitor a SCADA system and contacts others to initiate corrective actions is considered a controller. Also, a person that has responsibility to monitor a SCADA system and personally initiates corrective action via the SCADA system is a controller. The person that receives the pipeline SCADA data and contacts operational personnel to operate or shut-in the pipeline would also be a controller. Controllers are subject to the Control Room Management (CRM) rule published on June 16, 2011; 76 FR 35130, independent of the particular automated capabilities of the SCADA System. However, you stated that the off-shore platform operators have not been charged with the responsibility of remotely controlling the pipeline. Also, all control actions are either performed by the automated logic programmed into the SCADA or locally operated with manual on/off switches at the pipeline components. In addition, at the land-based facility, there are three locally controlled valves used for normal flow and pig receiving. Therefore, for the off-shore application, as long as the persons on the platform exclusively operate equipment on the platform (which may include pipeline pumps, valves, and pressure control equipment located on the platform), and do not control the pipeline downstream, they are not considered to be controllers subject to the CRM rule.

Please note that this response to your December 19, 2014, request and the additional information you provided, reflects PHMSA's preliminary views of the applicability of Part 195 regulations based on the limited information in your description of the facilities in your letter. PHMSA may need to collect additional information and possibly conduct a site visit to make a final determination.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'John A. Gale', is written over the printed name.

John A. Gale  
Director, Office of Standards  
and Rulemaking

DEC 22 2014



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December 19, 2014

By Federal Express

Pipeline and Hazardous Materials Safety Administration  
1200 New Jersey Avenue SE  
Washington, DC 20590  
Attn: Alan Mayberry, Deputy Associate Administrator, Policies and Programs

RE: Letter of Interpretation Request – Control Room Management

Dear Mr. Mayberry

EnVen Energy Ventures, LLC ("EnVen") is an independent Oil Company with assets in the Federal Waters of the Gulf of Mexico. We recently acquired Shell Oil's Cognac platform located in the Mississippi Canyon Block 194A on the Outer Continental Shelf, including the Cognac 12" Crude Oil pipeline, which is approximately 28 miles long and carries crude oil from the platform to the South West Pass Block 24 terminal operated by Hilcorp (Harvest Pipeline). EnVen has recently received our operator identification number (39214) to take over as the operator of record from Shell Pipeline Company.

EnVen plans to have continuous monitoring of the pipeline operations from the Cognac platform via a local SCADA system. The pipeline will normally be controlled via SCADA supplied automated programmable logic which includes automated safety devices that will shut down the pumps delivering crude oil to the pipeline in case of high or low pressure, or low flow. There are local start/stop controls at the individual components, such as the pumps and valves, should there be a need to bypass the automated logic control. The platform operators are not using the SCADA to remotely control operations of the pipeline facilities; they are only monitoring the operational status of the pipeline via the SCADA system. At the land-based facility, there are three locally controlled valves used for normal flow and pig receiving. The platform SCADA only monitors the status of these valves and does not have the ability to control their operation. These valves are locally controlled for pigging the pipeline and in the event, the platform is shut-in.

Based upon how this pipeline operation is configured, it is EnVen's belief that 49 CFR 195.446 Control Room Management would not be applicable in this case.

EnVen does not have personnel that meet the definition of a "controller" found in 49 CFR 195.2.



*Controller means a qualified individual who remotely monitors and controls the safety-related operations of a pipeline facility via a SCADA system from a control room, and who has operational authority and accountability for the remote operational functions of the pipeline facility.*

The platform operators only monitor operations of the pipeline facility from the SCADA, they do not control from the SCADA. The platform operator does not direct other personnel to take specific actions based upon monitoring of the SCADA. The pipeline components (pumps, valves, etc.) are only operated locally and the SCADA is not capable of operating these components. All control actions are either performed by the automated logic programmed into the SCADA or locally operated with manual on/off switches at the pipeline components.

EnVen does not have an operational center that meets the definition of a “control room” found in 49 CFR 195.2.

*Control room means an operations center staffed by personnel charged with the responsibility for remotely monitoring and controlling a pipeline facility.*

The platform operators have not been charged with the responsibility of remotely controlling the pipeline.

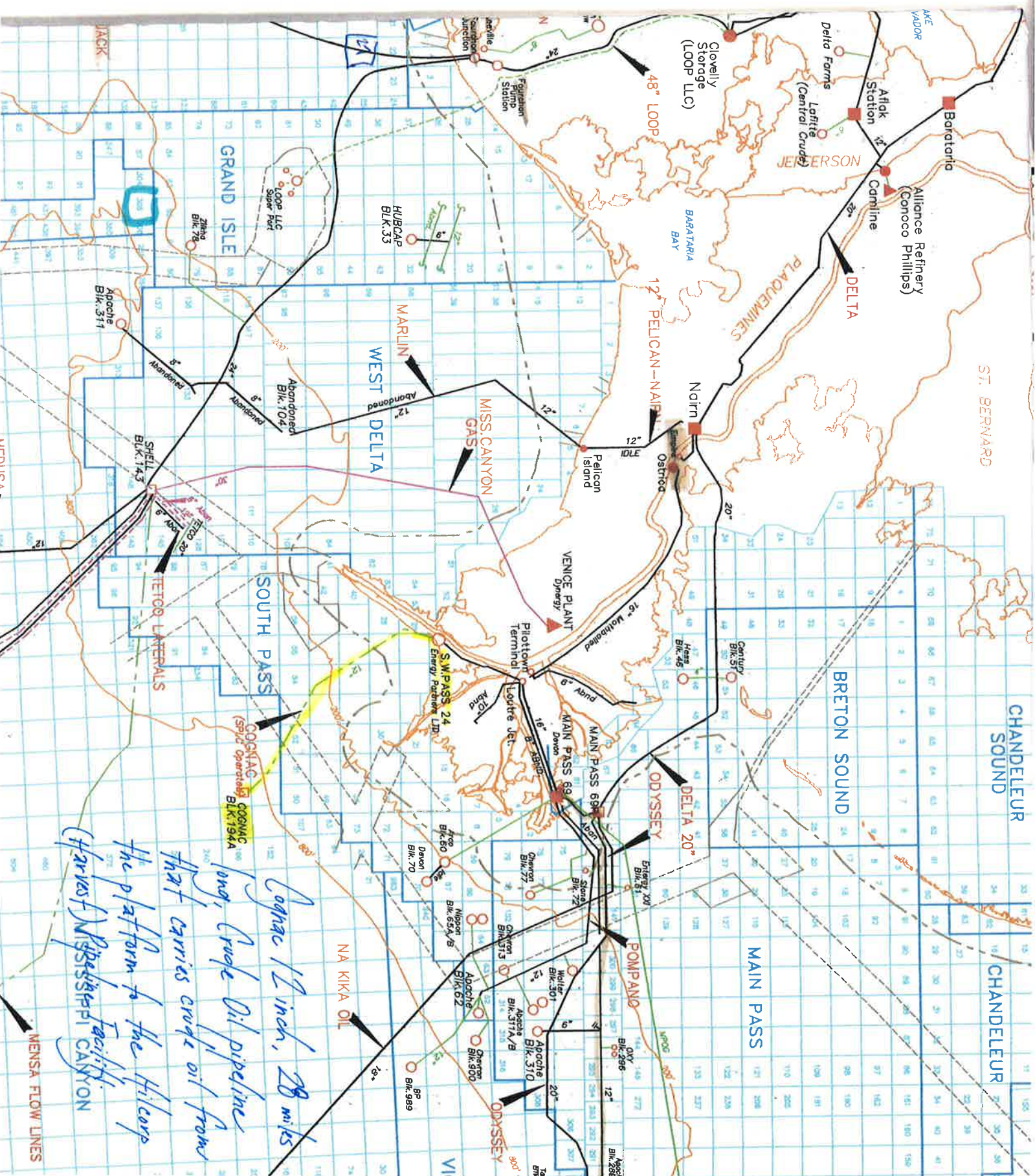
Because EnVen does not have personnel that meet the definition of “Controller” and does not have an operation center that meets the definition of a “Control Room”, EnVen believes the Control Room Management requirements found under 49 CFR 195.446 do not apply. Given the information provided herein, EnVen is requesting a written opinion as to whether PHMSA is in agreement with EnVen’s determination. Should more information or additional discussion be needed, please contact Robert Ellis (contact information attached below).

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert Ellis".

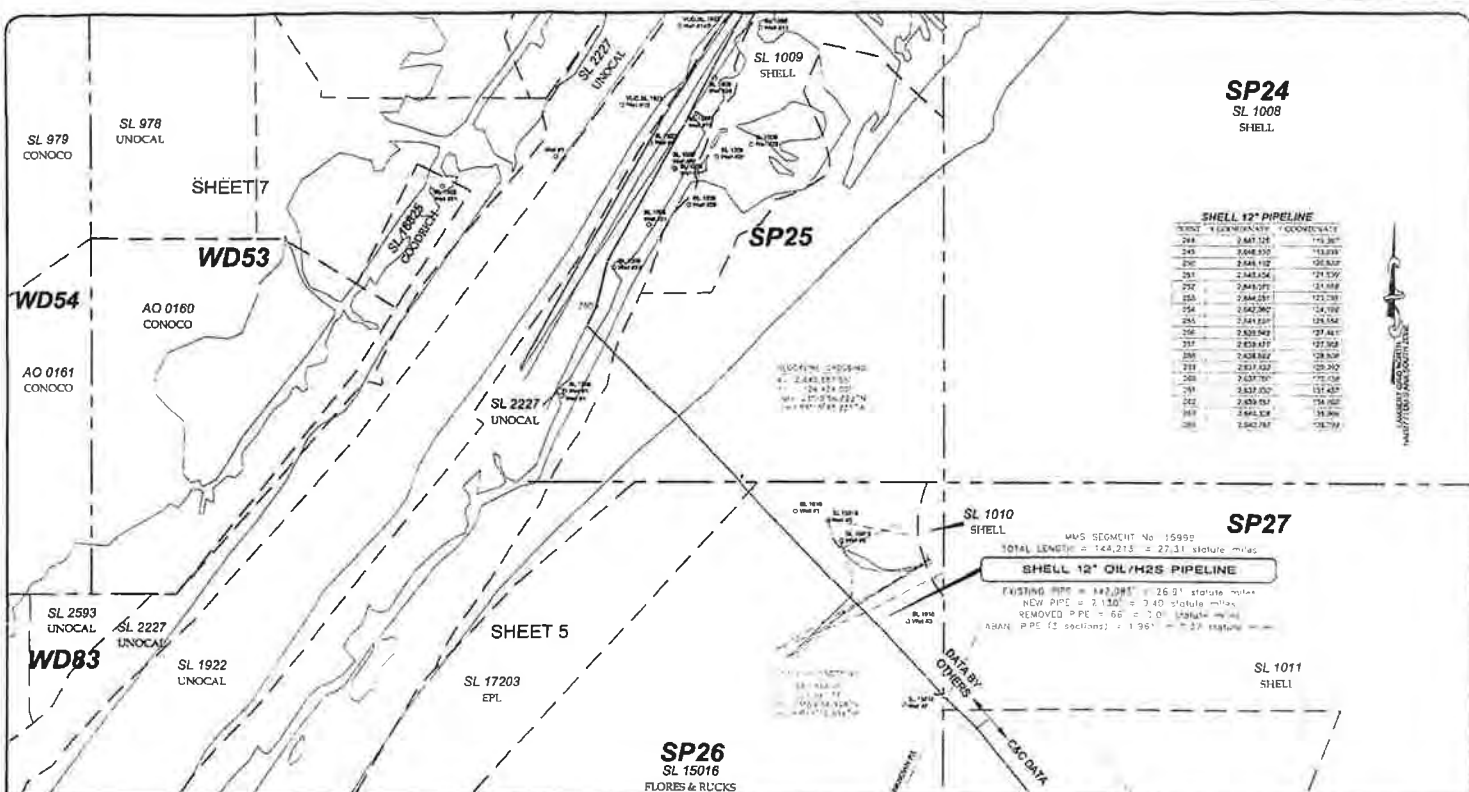
Robert Ellis  
Vice-President Operations  
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[bellis@enven.com](mailto:bellis@enven.com)  
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*MENSA FLOW LINES*





**SP24**  
SL 1009  
SHELL

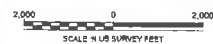
**SHELL 12" PIPELINE**

STATION	ELEVATION	COORDINATES
248	2487.128	143.367
249	2488.810	143.410
250	2488.410	143.450
251	2487.454	143.490
252	2485.275	143.530
253	2484.051	143.570
254	2482.340	143.610
255	2481.231	143.650
256	2480.549	143.690
257	2479.437	143.730
258	2478.862	143.770
259	2477.422	143.810
260	2477.701	143.850
261	2477.202	143.890
262	2476.051	143.930
263	2474.508	143.970
264	2472.787	144.010

**SP27**  
SL 1010  
SHELL  
WUS SEGMENT No 15999  
TOTAL LENGTH = 144.315 = 27.31 statute miles  
**SHELL 12" OIL / H<sub>2</sub>S PIPELINE**  
EXISTING PIPE = 142.081 = 26.01 statute miles  
NEW PIPE = 2.130 = 0.40 statute miles  
REMOVED PIPE = 0.65 = 0.12 statute miles  
ABOVE PIPE (2 sections) = 1.991 = 0.37 statute miles

**SP26**  
SL 15016  
FLUORES & RUCKS

**NOTES:**  
1. NADCON 2.1 USED FOR CONVERSIONS BETWEEN WGS84 AND NAD97  
2. THIS DRAWING IS NOT FOR NAVIGATIONAL PURPOSES  
3. EXISTING RIGHT-OF-WAY IS A 100' OFFSET TO THE WMS PUBLIC INFORMATION SYSTEM DATABASE POSITION OF THE PIPELINE AS OF DEC. 15, 2006  
4. POSITION OF PIPELINE IS BASED ON AN AS-BUILT REPAIR BY FLUOR IN JAN/FEB 2007 PIPELINE INSPECTION / REMOTE SENSING SURVEYS PERFORMED BY CAC IN OCT 2005 AND JAN 2006 AND CURRENTLY AVAILABLE SOURCES  
5. TOTAL LENGTH OF PIPE DOES NOT INCLUDE LENGTH OF RISERS  
6. PIPELINE CROSSINGS REFLECT IN-HOUSE DATA FROM VARIOUS SOURCES AND DO NOT REFLECT A CAC FIELD SURVEY. CROSSINGS IN STATE MAPS ARE NOT LABELED  
DATE: 04/04/2008 TIME: 15:51 FILENAME: W:\062118\062118\_S15999.DWG



**Shell Pipeline Company LP**

PREPARED BY

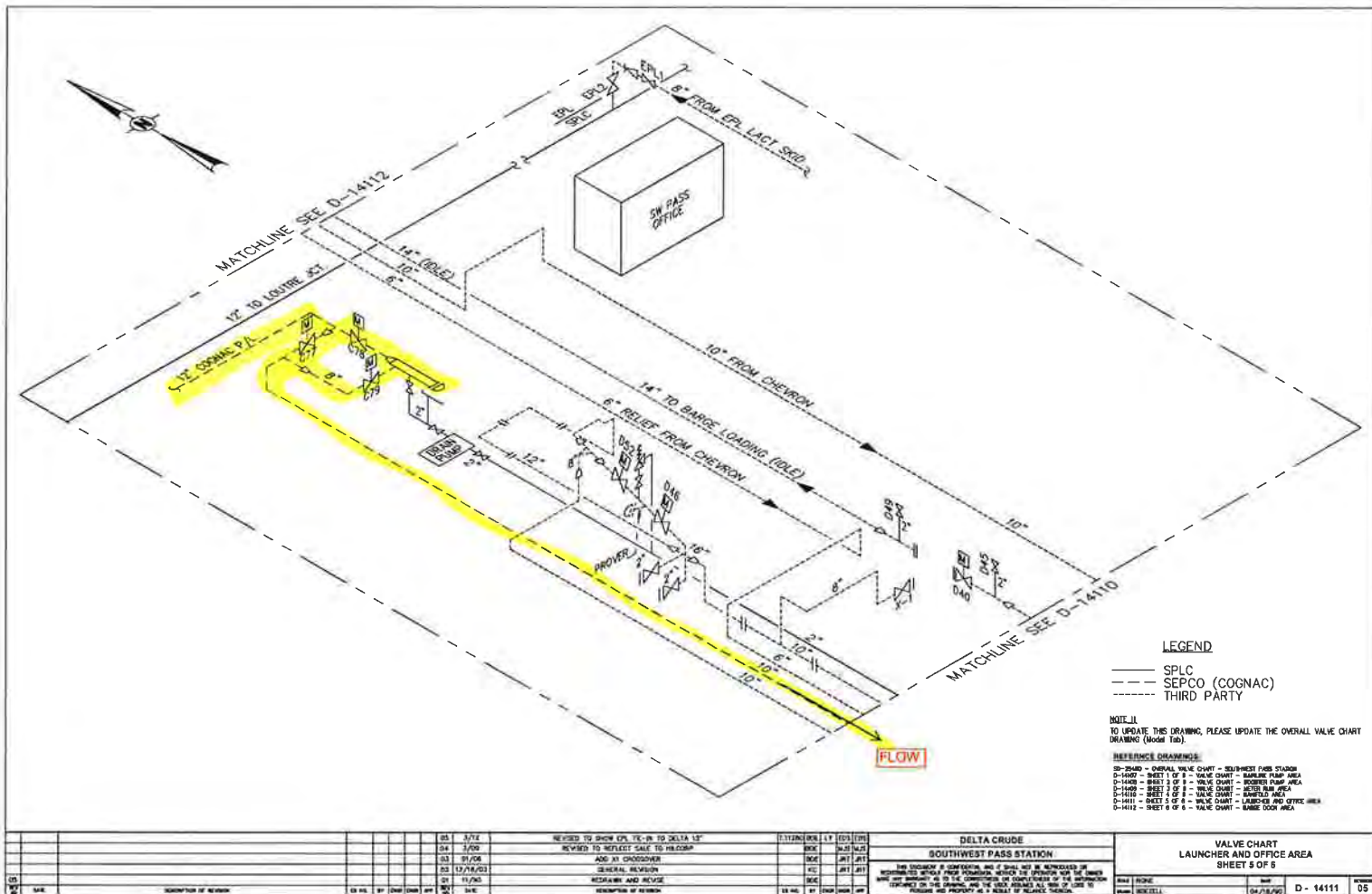
**CAC Technologies**  
SURVEY SERVICES

JOB No: 062118  
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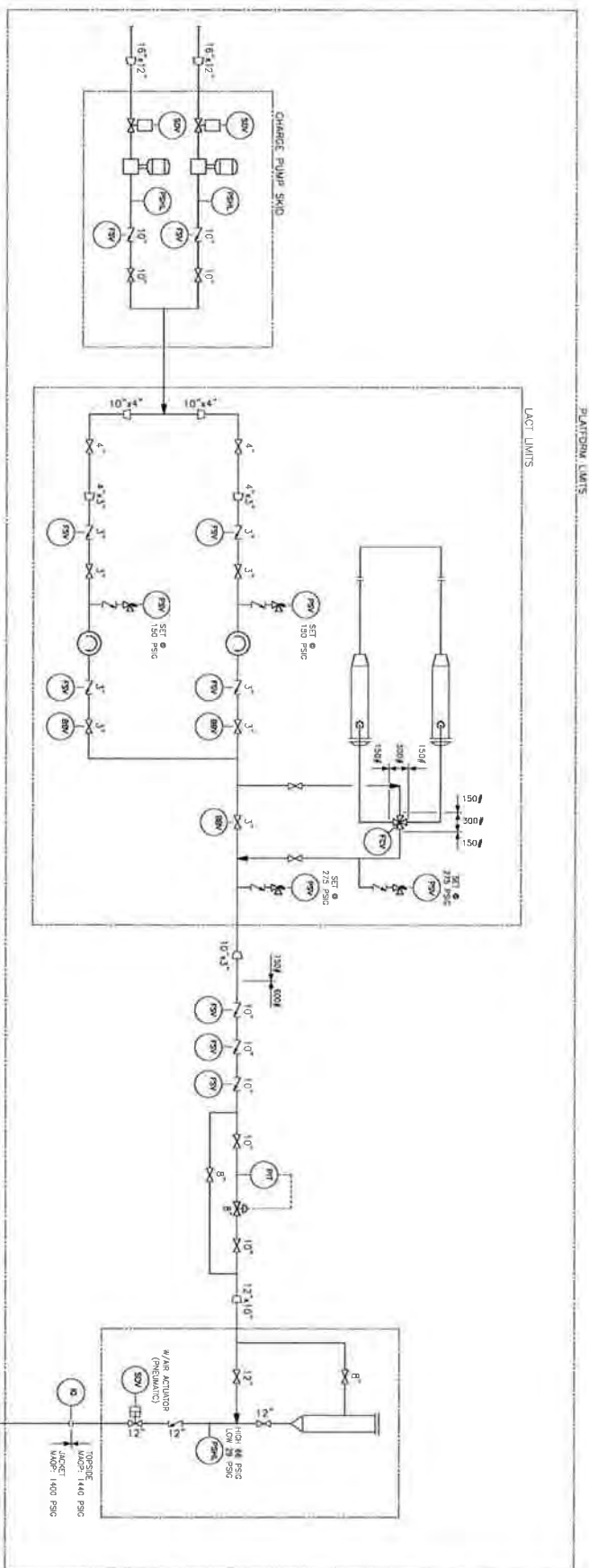
**AS-BUILT 12" OIL / H<sub>2</sub>S PIPELINE**  
(Revised)  
Block 194, Mississippi Canyon Area  
to  
Block 27, South Pass Area

REVISED: 08/04/2008  
DATE: APR 27, 2007  
**SHEET 6 of 7**

[illegible]



SEGMENT	LENGTH (M)	PIPELINE DESCRIPTION			
		OD (IN.)	W.T. (IN.)	PIPE SPEC. (GRADE)	MAOP (PSIG)
RISER	0.253	12.75	0.688	51.X-X42	1440
P/L	0.253	12.75	0.625	51.X-X46	1440
P/L	12.530	12.75	0.562	51.X-X46	1440
P/L	3.034	12.75	0.625	51.X-X46	1440
P/L	1.123	12.75	0.562	51.X-X46	1440
P/L	4.186	12.75	0.562	51.X-X46	1440
P/L	3.822	12.75	0.250	51.X-X65	1440
P/L	0.320	12.75	0.250	51.X-X65	1440



SEGMENT	LENGTH (M)	PIPELINE DESCRIPTION			
		OD (IN.)	W.T. (IN.)	PIPE SPEC. (GRADE)	MAOP (PSIG)
RISER	0.253	12.75	0.688	51.X-X42	1440
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P/L	1.123	12.75	0.562	51.X-X46	1440
P/L	4.186	12.75	0.562	51.X-X46	1440
P/L	3.822	12.75	0.250	51.X-X65	1440
P/L	0.320	12.75	0.250	51.X-X65	1440

[illegible]

**AS-BUILT**

DATE: 12/20/13

COGNAC OFFSHORE CRUDE

MC 194A FACILITY

FLOW DIAGRAM - SAFETY SCHEMATIC  
MC 194A OUTGOING - 12" OIL PIPELINE

[illegible]

NAME	MCNEIL	DATE	
GRADE	VC		

**SD - 402**

PC-VOL-10 **B**







