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Re: Recommendations to PHMSA to Require Prior to Restart of the Plains
Pipeline, LP Lines 901 and 903 in Santa Barbara County, California

Dear Mr. Wiese:

The Environmental Defense Center ("EDC") submits this letter on behalf of the undersigned organizations, to identify requirements that should be implemented to ensure that Plains Pipeline, LP ("Plains") Pipeline Lines 901 and 903 are as secure as possible prior to restart of their operation, and that they are maintained and operated in a manner that will prevent another devastating oil spill. EDC is a non-profit public interest environmental law firm headquartered in Santa Barbara, California, that protects and enhances the environment through education, advocacy, and legal action. EDC was founded as a result of the 1969 Santa Barbara oil spill and has focused much effort recently in responding to the devastating May 19, 2015, spill from the Plains Pipeline Line 901 near Refugio Beach in Santa Barbara County ("Plains Spill"). The undersigned organizations are dedicated to the protection of the environment and

have been working to ensure that the California coast is restored to its pre-spill condition, and that all steps are taken to prevent another major oil spill along our precious coastline.

This latest spill should never have happened, and may not have happened if adequate safeguards were in place to monitor, inspect, maintain and operate the relevant pipelines. It is imperative that the Pipeline and Hazardous Materials Safety Administration ("PHMSA"), as the agency responsible for ensuring pipeline safety, require implementation of these safety measures in order to reduce the risk of future oil spills like the Plains Spill.

As you are aware, PHMSA issued an amended Corrective Action Order ("Order") to Plains on June 3, 2015, identifying corrective actions Plains must take to address deficiencies in Lines 901 and 903. Since that Order was issued, additional information has been released regarding the scope and scale of the Plains Spill, warranting further safety requirements for Lines 901 and 903. In addition to the measures described in that Order, our organizations submit that the following measures should be implemented and included in an amended Order as requirements prior to restart of either of these pipelines. These measures are more fully described below:

- 1. Requirement for Annual Inspections of Lines 901 and 903 with Third Party Oversight
- 2. Implementation of Best Achievable Technologies Automatic Shutoff Systems and Leak Detection Technology
- 3. Ensure Compliance with Oil Spill Response and Emergency Plans

Recommended Requirements Prior to Restart of Line 901 and 903 Operations

PHMSA is tasked under the enforcement authority granted to it to "provide adequate protection against risks to life and property posed by pipeline transportation and pipeline facilities." 49 U.S.C. § 60102. Since PHMSA's Order was issued on June 3, 2015, the devastating impacts of the Plains Spill have become even clearer: estimates of the amount of oil spilled have increased dramatically, up to 140,000 gallons from the previous estimate of 100,000; we also now know the oil from the spill spread more than 100 miles, with sampling of tar balls from Crystal Cove – nearly 150 miles away – containing Plains Spill oil. We also now know the scale of impacts to wildlife, with estimates of over 100 mammals and nearly 200 birds killed, and recreational and fishing areas were closed much longer than originally anticipated. PHMSA should therefore exercise its authority pursuant to 49 U.S.C. § 60112(b) to consider these issues in determining that Lines 901 and 903 are "hazardous to life, property, [and] the environment" and issue an amended Order to require the below described recommended safety requirements. 49 U.S.C. § 60112(a)-(b), (d).

1. Requirement for Annual Inspections of Lines 901 and 903 with Third Party Oversight

In-line inspections of pipelines, including Lines 901 and 903, should occur on an annual basis. Prior to restart of their operation, the Order for Lines 901 and 903 should be amended to include a requirement for annual in-line inspections of these lines. In addition, these inspections should be subject to third party oversight and public review.

It is our understanding that although anomalies currently "informally" result in increased in-line inspections, there is no set standard for establishing at what point inspections should increase in frequency, and how frequently inspections must occur after findings of such anomalies. Line 901, for example, was inspected at a more frequent rate than required due to anomalies (three instead of five years), but this interval was still obviously insufficient to catch the fact that the line had a metal loss that "degraded the wall thickness to an estimated 1/16 of an inch (.0625")." (PHMSA Order at 2.)

The last completed in-line inspection of Line 901 occurred in 2013, and the spill occurred while awaiting results from an early May 2015 inspection. This large interval between inspections was clearly insufficient to detect severe corrosion problems, warranting more frequent, annual inspections. In California for instance, Senate Bill 295, recognizing the importance of frequent inspections, would require annual inspections of intrastate pipelines by the State Fire Marshall.

Third party oversight is also necessary to ensure that in-line inspections are accurate and reliable. For instance, Plains reported that the May 5, 2015, in-line inspection of Line 901 revealed approximately 45% metal loss, but the third party pipeline inspector found a much greater than 45% metal loss in the pipeline, indicating in some places the metal was worn to 1/16th of an inch (*see* PHMSA Order at 2). This corrosion has been correlated to metal loss of *greater than 80%*. Such inconsistencies can lead to devastating consequences if pipelines are not accurately diagnosed and problems not addressed expeditiously. Neutral, third party inspection would ensure that inspection data provided to PHMSA is accurate and reliable and that deficiencies are quickly addressed.

Even if *all* pipelines are not inspected annually, at a minimum, PHMSA should require annual inspections of pipelines that could affect high consequence areas ("HCAs")¹. Pursuant to PHMSA regulations, inspections currently only occur every 5 years for pipelines that could affect HCAs, despite the importance of these areas to human and environmental health. To help prevent future accidents like the Plains Spill, which had an enormous impact on the environment and coast of California, inspections of pipelines that could affect HCAs should occur at least yearly.

In addition, should annual in-line inspections reveal corrosion or anomalies, hydrostatic testing should be performed on the lines. Hydrostatic testing – "intended to determine whether a hazardous liquid...pipeline has adequate strength — integrity — to prevent leaks or ruptures under normal operation and upset conditions" – is necessary when anomalies are found, in order to determine whether the pipelines can continue to be operated safely.

¹ Pursuant to PHMSA regulations, a "[h]igh consequence area [HCA] means: (1) A commercially navigable waterway, which means a waterway where a substantial likelihood of commercial navigation exists; (2) A high population area, which means an urbanized area, as defined and delineated by the Census Bureau, that contains 50,000 or more people and has a population density of at least 1,000 people per square mile; (3) An other populated area, which means a place, as defined and delineated by the Census Bureau, that contains a concentrated population, such as an incorporated or unincorporated city, town, village, or other designated residential or commercial area; (4) An unusually sensitive area, as defined in § 195.6." 49 C.F.R. § 195.450.

² https://primis.phmsa.dot.gov/comm/FactSheets/FSHydrostaticTesting.htm

Regardless of the type or frequency, pipeline inspection reports should be immediately available to the public electronically (e.g., on PHMSA's website).

2. Implementation of Best Achievable Technologies – Automatic Shutoff Systems and Leak Detection Technology

Use of Best Achievable Technologies, including automatic shutoff systems and leak detection, will help ensure that future spills are more quickly addressed and contained, avoiding the devastating results of a spill on the scale of the Plains Spill. These technologies are widely used, will continue to become more commonly used and are a crucial component of PHMSA's ability to adequately oversee pipeline safety and reduce the volume and consequences of spills.

Specifically, PHMSA should require automatic shutoff systems on Lines 901 and 903. This should be a clear requirement in an amended Order and a requirement prior to allowing Lines 901 and 903 to resume operations. This requirement would be consistent with California Assembly Bill 864, which would require intrastate oil pipelines along environmentally and ecologically sensitive areas near the coast to use advanced technologies, including automatic shutoff technology, in order to reduce the amount of oil released in an oil spill and to protect state waters and wildlife. These technologies would have been especially useful in the Plains Spill, where current estimates indicate that even more oil spilled – at least 140,000 gallons – than previously estimated.

In addition, as you are aware, PHMSA has been tasked, pursuant to P.L. 112-90, with implementing regulations requiring, where feasible, automatic or remote controlled shutoff systems for new pipelines. A PHMSA study already found automatic shutoff systems can be cost effective. PHMSA should further ensure automatic shutoff requirements are based on sound science/engineering, not operator preference. This includes the intervals at which automatic shutoff valves are required. For example, the Keystone XL operator Transcanada claims that the company places automatic shutoff valves at shorter intervals than for other pipelines; they are placed at twenty-mile intervals and at higher concentrations near water crossings and HCAs. It is unclear whether placement at this interval is based on sound science and engineering principles or simply Transcanada's preference. PHMSA should ensure that when used, automatic shutoff valves are placed at shorter intervals, based on scientifically based standards, particularly where pipelines are transporting hazardous liquids, where there are increased public health risks, and where pipelines are near environmentally sensitive areas.

PHMSA should also require coupling of automatic shutoff systems with advanced leak detection systems such as Supervisory Control and Data Acquisition on Lines 901 and 903. This should be a clear requirement in an amended Order and a requirement prior to allowing Lines 901 and 903 to resume operations. As you are aware, 49 C.F.R. § 195.452(i)(3) requires operators to have the capability to detect leaks for pipelines that could affect HCAs. If PHMSA specified that advanced leak detection technology in conjunction with automatic shutoff systems is required on these pipelines, this would help ensure an automatic response and shut down of

³http://www.phmsa.dot.gov/pv obj cache/pv obj id 2C1A725B08C5F72F305689E943053A96232AB2 00/filename/Final%20Valve_Study.pdf

faulty pipes, avoiding delays such as those that occurred on Line 901 due to the need for operator-initiated shutdown. This requirement is already incorporated in current permits for Santa Barbara County-regulated pipes:

[P]ipelines would be monitored 24 hours/day by an automated Supervisory Control and Data Acquisition (SCADA) leak detection system.... All safety and operational features would be maintained by a state-of-the-art SCADA system that would gather data from points throughout the pipeline route. Data gathered via the SCADA system includes flow rate, temperature, and pressure. Such data would be continuously monitored to identify deviations indicative of a leak or rupture. *The SCADA system would be designed to initiate a pipeline shut down* when conditions vary beyond pre-set pressure and flow conditions. Alarms would sound alerting operators to abnormal conditions and *trigger automatic shut-down operations as needed*.⁴

The Plains pipeline should include the same technology as other oil pipelines in Santa Barbara County.

3. Ensure Consistency with Oil Spill Response and Emergency Plans

PHMSA's Order should be amended to ensure that future operations of Lines 901 and 903 are in accordance with oil spill response and emergency plans. There should be an explicit acknowledgement of and requirement to operate consistent with the local Santa Barbara Operational Area Oil Spill Contingency Plan, California Coastal Commission Oil Spill Prevention and Response Guidance Document ("CCC Guidance") and any future requirements pursuant to State Senate Bill 414, which would require pre-positioning of Best Achievable Technology oil spill response equipment along the Santa Barbara coastline.

The Order should be amended, for instance, to require Plains' compliance with the CCC Guidance by requiring Plains to demonstrate prior to restart of Lines 901 and 903 that it has available equipment, trained personnel, and will undertake adequate drills to prepare for responding to a spill. The CCC Guidance also requires that an operator must set forth a response capability analysis for a worst-case ongoing spill, which requires:

[a]n oil spill response plan with notification procedures, response strategies, and an inventory of response equipment (with effectiveness ratings) and shoreline protection equipment that will be located at the oil and gas facility site and under contract. It should also provide information that demonstrates training of personnel to effectively control, respond, and recover a worst case oil spill.

CCC Guidance at 13-14. The CCC Guidance also describes response times and states that primary response should include deployment of boom and containment operations within approximately one hour (15-60 minutes), and deployment of skimming operations within 2 hours. CCC Guidance at 14-15. Especially given the response delay issues that occurred

⁴ ERG Foxen pipeline, Santa Barbara County Conditions of Approval (emphasis added).

⁵ Available at: https://www.countyofsb.org/ceo/asset.c/276

⁶ Available at: http://www.coastal.ca.gov/oilspill/OilSpillGuidance.pdf

Jeffrey D. Wiese re: Recommendations to PHMSA to Require Prior to Restart of Plains Lines 901 and 903 Page 6 of 8

following the Plains Spill, these requirements should be explicitly incorporated into the Order prior to authorizing restart of Lines 901 and 903.

In order to ensure that any necessary future response is consistent with the oil spill response and emergency plans and guidance, the amended Order should require Plains to undertake a comprehensive drill demonstrating its ability to comply with those measures prior to restart of Lines 901 and 903.

Conclusion

The recent Plains Spill in Santa Barbara County has reminded us that current federal requirements for pipeline inspection, maintenance and oversight are woefully inadequate. Had the Plains Line 901 been subject to more frequent and comprehensive inspections, monitored more closely, and built with safer technology, the spill might not have happened. More than 100 miles of our precious coast would not have been damaged, public beaches would not have been closed, and hundreds of birds and marine mammals would not have been killed or harmed. We request that you take measures to ensure that such a spill does not happen again.

In closing, we appreciate your review of these recommendations and strongly urge you to implement these requirements prior to the restart of Line 901 and 903. Please do not hesitate to contact us at ndicamillo@environmentaldefensecenter.org and lkrop@environmentaldefensecenter.org or 805-963-1622 if you have any questions regarding this letter.

Sincerely,

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Jeffrey D. Wiese re: Recommendations to PHMSA to Require Prior to Restart of Plains Lines 901 and 903 Page 7 of 8

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Jeffrey D. Wiese re: Recommendations to PHMSA to Require Prior to Restart of Plains Lines 901 and 903 Page 8 of 8

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