

**ATTACHMENT 49 – *PHMSA ADVISORY BULLETIN, UPDATING FACILITY RESPONSE PLANS,
JUNE 23, 2010***

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DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

[Docket No. PHMSA-2010-0175]

Pipeline Safety: Updating Facility Response Plans in Light of the Deepwater Horizon Oil Spill

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA); DOT.

ACTION: Notice; Issuance of Advisory Bulletin.

SUMMARY: PHMSA is issuing an Advisory Bulletin to operators of hazardous liquid pipeline facilities required to prepare and submit an oil spill response plan under 49 CFR part 194. In light of the Deepwater Horizon oil spill in the Gulf of Mexico, which has resulted in the relocation of oil spill response resources to address the oil spill, PHMSA is reminding operators of their responsibilities to review and update their oil spill response plans and to comply with other emergency response requirements to ensure the necessary response to a worst case discharge from their pipeline facility.

FOR FURTHER INFORMATION CONTACT: John Hess, Director for Emergency Support and Security, (202) 366-4595 or by e-mail at PHMSA.OPA90@dot.gov. Additional information about PHMSA may be found at <http://phmsa.dot.gov>.

SUPPLEMENTARY INFORMATION:

Background

PHMSA is the Federal safety authority with responsibility to ensure the safe, reliable, and environmentally sound operation of the Nation's pipeline transportation system. Pursuant to authority delegated under the Oil Pollution Act of 1990, 33 U.S.C. 1321, and Executive Order 12777, 56 FR 54757, Oct. 18, 1991, PHMSA has issued regulations in 49 CFR part 194 that require operators of onshore pipeline facilities to prepare and submit oil spill response plans to reduce the environmental impact of oil discharges. Operators of onshore pipelines that could reasonably be expected to cause significant or substantial harm to the environment by discharging oil into or on any navigable waters of the United States or adjoining shorelines must prepare and submit to PHMSA an oil spill response plan. The plan must be individually tailored to the geographic location of the facility and contain detailed procedures for responding, to the maximum extent practicable, to "a worst case discharge and to a substantial threat of such a discharge." Among other requirements, operators must calculate the worst case discharge scenario for the facility and develop procedures for responding to such a scenario, including identifying and ensuring, by contract or otherwise, necessary resources for the response. Plans must include immediate notification procedures, spill detection and mitigation procedures, training, and a drill or simulation program. Operators are required to review and update their

response plans at least every five years, but must immediately update a plan if new or different operating conditions or circumstances would affect full implementation of the plan. Such modifications are required to be submitted to PHMSA within 30 days under § 194.121(b)(8). In addition to submitting plans to PHMSA, operators must maintain their response plans on-site for inspection by PHMSA during field audits.

PHMSA has also prescribed safety standards for hazardous liquid pipeline facilities governing emergency response in 49 CFR § 195.402. Operators must have emergency response procedures that require, among other things, having sufficient resources available at the scene, taking necessary action (such as emergency shutdown) to minimize the volume of hazardous liquid released, controlling released hazardous liquid, and minimizing public exposure to injury. Operators must also maintain liaison with emergency responders and other appropriate public officials, and coordinate preplanned and actual emergency responses. PHMSA regularly inspects operators' compliance with these requirements during on-site inspections.

On April 20, 2010, an explosion and fire on the Deepwater Horizon mobile drilling unit, approximately 40 miles offshore in the Gulf of Mexico, led to a massive release of crude oil from a well on the sea floor. The oil spill is estimated to be the largest offshore spill in United States history. The catastrophic event, which has proven to be far worse than originally estimated, is diverting resources from all over the Nation to the areas impacted by the spill and potentially affecting the availability of resources identified in pipeline operators' oil spill response plans, resulting in circumstances that could affect full implementation of pipeline operators' plans.

While offshore drilling is not governed by 49 CFR part 194, PHMSA is reminding onshore hazardous liquid pipeline operators of their responsibilities under such regulations to review, update, and maintain their oil spill response plans to ensure that each plan: properly

calculates the worst case spill scenario for the pipeline facility; identifies and ensures by contract or otherwise sufficient resources to respond, to the maximum extent practicable, to such a discharge; and evaluates the identified resources' remaining capability given the ongoing relocation of resources to the Gulf. PHMSA will not consider it "practicable" to list resources for responding to a worst case discharge, if such resources are, or are requested to be, relocated to respond to the Deepwater Horizon oil spill until such resources are returned. Operators must conduct this review and submit any updates to their oil spill response plans as set forth in § 194.121 within 30 days. Operators are further reminded of their responsibilities to maintain their response plans on-site, to conduct regular drills of their plans, and to maintain the necessary liaison with emergency responders and other appropriate public officials. PHMSA intends to evaluate operators' performance of these efforts during upcoming field audits.

Advisory Bulletin (ADB-10-05)

To: Operators of Hazardous Liquid Pipeline Systems.

Subject: Updating Facility Response Plans in Light of the Deepwater Horizon Oil Spill.

Advisory: Operators of onshore pipelines that could reasonably be expected to cause significant or substantial harm to the environment by discharging oil into or on any navigable waters of the United States or adjoining shorelines must prepare and submit an oil spill response plan pursuant to 49 CFR part 194. Among other requirements, a response plan must include a proper

calculation of a worst case discharge and identify the available resources to respond. (*See also* 49 CFR Appendix A to part 194).

The April 20, 2010, explosion and subsequent fire on the Deepwater Horizon mobile drilling unit in the Gulf of Mexico has led to a massive release of crude oil from a well on the sea floor. The oil spill has proven to be far worse than originally estimated and is diverting resources from all over the Nation to the areas impacted by the spill, thereby potentially affecting the availability of resources identified in pipeline operators' oil spill response plans.

In light of these circumstances, PHMSA is stressing to operators their responsibilities under 49 CFR part 194 to update their oil spill response plans to ensure the necessary response to a properly calculated worst case discharge.

In accordance with those regulations, operators of onshore hazardous liquid pipeline facilities must review their oil spill response plans and update, as necessary: the calculation of a worst case spill scenario for their pipeline facility; the identification of resources needed to respond, to the maximum extent practicable, to the scenario; and an assessment of the resources' remaining capability given the ongoing relocation of resources to the Gulf. PHMSA will not consider it "practicable" to list resources for responding to a worst case discharge, if such resources are, or are requested to be, relocated to respond to the Deepwater Horizon oil spill until such resources are returned. Operators must conduct this review and submit any updates to their oil spill response plans as set forth in the applicable regulations within 30 days. PHMSA requests that operators who find no need to update their plan following this review still notify PHMSA at the above contact information within 30 days, with the reasons no updates were needed. Operators are also asked to confirm that drills have been performed at the frequency

specified in their plans. Operators whose response resources have been, or are subsequently relocated to the Gulf to respond to the Deepwater Horizon event should also notify PHMSA.

Operators are further reminded of their responsibilities to maintain their response plans on-site and to maintain the necessary liaison with emergency responders and other appropriate public officials. PHMSA intends to evaluate operators' efforts during upcoming field audits.

Issued in Washington, DC on JUN 23 2010.

A handwritten signature in black ink, appearing to read "J. Wiese". The signature is stylized with a large, sweeping initial "J" and "W".

Jeffrey D. Wiese,

Associate Administrator for Pipeline Safety.