

POST INSPECTION MEMORANDUM

Inspector: Al Jones /UTC 1/17/2013

Reviewed: Joe Subsits /UTC 1/17/2013

Peer Reviewed: _____

Follow-Up Enforcement: Three Violations

PCP* PCO* NOA WL LOC

Director Approval: _____

Date: January 17, 2013

Operator Inspected:
Phillips 66 Corporation

OPID: 31684

Region: Western

Unit Address:
6317 E. Sharp Ave.
Spokane, WA 99212

Unit Inspected: Yellowstone Pipe Line – Spokane/Moses Lake **Unit ID:** 515

Unit Type: Interstate

Inspection Type: I01-Abbreviated Procedures Standard Inspection and I08-OQ Field Verification

Record Location: Spokane, WA

Inspection Dates: November 26 - 30, 2012

Team: Scott Rukke / UTC

AFOD: 5

SMART Activity Number:

Operator Contact: Mike Donally, DOT Coordinator

Phone: (406) 855-6913

Fax: (406) 543-5669

Emergency: 888-267-2290

Unit Description:

The Spokane District consists of:

- 14 miles of 10" mainline from the Washington State line to the Spokane Terminal;
- 4.94 miles of 10" transfer line from the Spokane Terminal to North Spokane Junction;
- 0.4 miles of 8" transfer line from North Spokane Junction to North Spokane Terminal;
- 1.34 miles of 8" transfer line from North Spokane Terminal to Hillyard Manifold;
- 24 miles of 8" mainline from Spokane Terminal to Fairchild;
- 0.91 miles of inactive 6" Geiger Spur Line from Geiger Junction to Geiger Delivery Station.

Three pump stations are located at Spokane Terminal (300 HP), North Spokane Terminal (150 HP), and Fairchild (150 HP, idled). Breakout Tank Facilities are located at Spokane Terminal (12 tanks), North Spokane Terminal (9 tanks), Fairchild (2 tanks, idled), and Geiger Delivery Station (2 tanks, idled).

The Moses Lake District consists of 87 miles of 6" mainline from Fairchild to Moses Lake Terminal. There is 1 mile of inactive 6" line that extends from Moses Lake Terminal to the Moses Lake Airport and to Boeing Field.

Facilities Inspected:

Breakout tanks at the Spokane and North Spokane Terminals; Fairchild and Geiger Deliveries were inspected. In addition, the pipeline right-of-way from the state border at Idaho to Moses Lake including block valves, casings, exposed pipe span, rectifiers, and cathodic protection test stations were inspected.

Persons Interviewed:

Mike Kuntz, Area Supervisor
Chris Church, Terminal Supervisor
Mike Donally, DOT Coordinator
Brett Myers, Corrosion Lead
Larry Ferguson, Corrosion Specialist
Dale Sienknecht, Terminal Operator
Josh Lindstrom, Pipe Line Technician
Bruce Sandy, Pipeliner
Mike Sharpe, Pipeliner

Probable Violations/Concerns:

Three probable violations and one area of concern were identified.

Follow up on the history of prior offenses that are still open:

Prior Offenses (for the past 5 years)		
CPF #	What type of open enforcement action(s)?	Status of the regulations(s) violated (Reoccurrence Offenses, Implement a NOA Revision, Completion of PCO or CO, and etc...)

Recommendations:

Send a Notice of Probable Violations (NOPV) for items 1-3 below and follow up on the area of concern.

Comments:

Three items were identified as probable violations and one area of concern:

(1) NOPV

49 CFR 195.573(a)(1) What must I do to Monitor External Corrosion Control?

Phillips 66 procedure MPR-6018, section 7.3.2.3, states that "...each and every test station may not need to be read in order to determine that the system has adequate cathodic protection ...". Phillips 66 has several test stations that were not read between 2009 and 2012 due to accessibility issues and/or the inability to find them. It is unclear whether these test stations were necessary to determine whether the system had adequate cathodic protection. Phillips must either survey all the test stations or show that the level of protection is adequate at the unmonitored portion of the system.

(2) NOPV

49 CFR 195.402(a) Procedural Manual for Operations, Maintenance, and Emergencies. Phillips 66 procedure MPR-6005 requires control center contact, and a record of this contact each time block valves are maintained and operated. Control center contact was not done during the last valve maintenance survey conducted in October 2012 and employees stated they were unaware of the requirement at the time of the survey. The use of incorrect forms and conflicting procedures as detailed below, partly contributed to the employees not making contact. Phillips 66 procedure MPR-6005 and MPR 2814 each reference a different form revision number to be used when filling out and recording valve survey information. Records reviewed during this inspection indicated that at least three different form revisions were being used. These forms were dated 3/9/2004, 8/28/2006, 4/18/2012 and all indicated they were revision No.1. It appears that when the form is changed or revised that the revision number is not carried forward on the form. Phillips 66 needs to perform valve operation and maintenance work in accordance with an appropriate procedure.

(3) NOPV

49 CFR 195.402(a) Procedural Manual for Operations, Maintenance, and Emergencies. Phillips 66 procedure MPR-2301 requires that each time a company employee has contact with an emergency official, that this information be recorded on form MPA 2830-A titled, "A Report of Contact with Emergency Officials." Phillips 66 employees have not been recording this information and were unaware of the existence of this form. Phillips needs to record information as required in their procedure.

(4) AOC

49 CFR 195.571 What criteria must I use to determine the adequacy of cathodic protection? During the field portion of the Parkwater Terminal (Spokane) inspection, it was determined that the ground bed was disconnected from the rectifier resulting in low CP values at Tanks 70, 71, 72, and 74. The ground bed has been off line since the summer of 2012. Also, a low reading was found at the 6-inch outlet from the Spokane manifold to Moses Lake. It was felt that there was a damaged wire to the ground bed. A follow-up field inspection should be performed to ensure timely compliance with these low readings.

Recommendations:

Perform follow up next year and maintain regular inspection schedule.

Attachments:

- Pipeline Safety Violation Report
- Field Data Collection Form