



February 4, 2015

David D. Lykken
Pipeline Safety Director
Washington Utilities and Transportation Commission
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BP Pipelines (North America) Inc.
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STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

2015 FEB - 6 AM 9:36



RE: 2014 Hazardous Liquid Standard Inspection - Olympic Pipe Line Company - Intrastate Laterals - (Insp. No. 5821)

Dear Mr. Lykken:

This letter is in response to the Washington Utilities and Transportation Commission two probable violations and one area of concern dated January 5, 2015.

A hazardous liquid standard inspection was conducted from November 17 to 20, 2014 of Olympic Pipe Line Company-Intrastate Laterals by the staff from the Washington Utilities and Transportation Commission. The inspection included a records review and inspection of the pipeline facilities.

For ease of response, the probable violations, area of concern and WUTC's finding(s) to us are copied below in italics and are followed by BP's response.

Probable Violations

1. **49 CFR §195.583 What must I do to monitor atmospheric corrosion control?**

(a) *You must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:*

<i>If the pipeline is located:</i>	<i>Then the frequency of inspection is:</i>
<i>Onshore</i>	<i>At least once every 3 calendar years, but with intervals not exceeding 39 months.</i>

Finding(s):

For the Seatac Delivery Facility (DF), Tacoma Junction and Tacoma DF, the required atmospheric corrosion reads for 2014 were late. They should have been read in March, 2014; they were read in November, 2014. OPL believes this was a problem with their maintenance management work order system, Maximo. OPL needs to ensure the issue causing the late reads is remedied.

BP Response:

A review of atmospheric corrosion inspection records in the Maximo work management system for the noted facilities determined that the 2014 inspection work orders for these sites were not set with the appropriate target start and completion dates to allow for inspection completion within the required compliance window. Upon identification, these work orders were issued to the field and the subject inspections were all completed by November 19, 2014 with no atmospheric corrosion concerns identified. Subsequently all atmospheric corrosion inspections that are performed on the Olympic system and tracked in the Maximo work management system were reviewed and are confirmed to now be set for inspection every 36 months with a one month span (completion window).

2. **WAC 480-75-710 Remedial action for corrosion deficiencies**

Pipeline companies must initiate remedial action as necessary to correct any deficiency observed during corrosion monitoring, within ninety days after the pipeline company detects the deficiency.

Finding(s):

BP Pipelines (North America) (BP) has a listing of corrosion control deficiencies for the Olympic Pipe Line. On this list are test lead stations which cannot be read and need to be excavated to repair. According to BP personnel, this listing was originally prepared by the previous cathodic protection (CP) technician, who has been gone since 2012. It is not known when these deficiencies were found, however, it was at least prior to 2012 and mitigation has not been initiated. It cannot be determined whether the pipeline is adequately cathodically protected in these areas. OPL needs to ensure their pipelines are adequately cathodically protected and repair, as necessary, the defective test sites.

BP Response:

The noted cathodic protection (CP) test station repair list identifies two locations on the Olympic Pipeline intrastate laterals that require repair; however the first site (on a non-regulated delivery line downstream of the Vancouver lateral) is not a corrosion control deficiency and is only a fix sought to better facilitate efficient collection of monitoring data. Currently, appropriate CP monitoring data for the Vancouver lateral is obtained utilizing a wire reel connected to the nearest functioning test station; the site was placed on the list so that personnel could enhance collection of data by restoring full test station function, which is intended to take place by the end of 2015. At the second site on the idled Olympia lateral, remedial actions were initiated and repair work was completed on February 3, 2015. CP monitoring readings taken at the second site confirm that the pipeline segment is adequately cathodically protected.

As a point of clarification, the previous CP technician left BP in May 2013.

Area of Concern

1. **49 CFR §195.573 What must I do to monitor external corrosion control?**
 - (a) *Protected pipeline. You must do the following to determine whether cathodic protection required by this subpart complies with §195.571:*
 - (1) *Conduct tests on the protected pipeline at least once each calendar year, but with intervals not exceeding 15 months.*

Finding(s):

In 2014, BP self-reported instances where they were late in conducting the annual pipe-to-soil readings. The 2012 reads at the Tacoma DF were late. They should have been read by November, 2012 (not to exceed 15 months) and they were actually read in December, 2012. In July 2014 BP presented this information to the UTC relaying the reasons why the readings were late and how the issues were corrected. They included a change in personnel, replacement and addition of new personnel, as well as implementation of new management tools and oversight. BP needs to confirm these changes are adequate to ensure compliance with the timeframes in the code.

BP Response:

BP self-reported to the WUTC in August, 2014 that there were several instances where external corrosion control monitoring activities were not completed within the required timeframe. At that time BP detailed the corrective actions that were implemented to remedy this issue. BP believes that these actions were appropriate and effective. A review of 2014 annual pipe-to-soil records for the Olympic Pipeline intrastate laterals confirmed complete compliance with the 49 CFR §195.573 (a)(1) requirement.

If you have any questions, please contact me at (630) 536-3419.

Sincerely,

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David O. Barnes, P.E.
DOT Manager
BP Pipelines (North America) Inc.