



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY (360) 586-8203

**CERTIFIED MAIL**

January 5, 2015

Donald W. Porter  
President  
BP Pipelines (North America) Inc.  
150 W. Warrenville Road  
Naperville, IL 60563

Dear Mr. Porter:

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

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

Our inspection indicates two probable violations as noted in the enclosed report. We also noted one area of concern, which unless corrected, could potentially lead to future violation of state and/or federal pipeline safety rules.

**Your response needed**

Please review the attached report and respond in writing by February 6, 2015. The response should include how and when you plan to bring the probable violations into full compliance. We also request your response to our area of concern.

**What happens after you respond to this letter?**

The attached report presents staff's decision on probable violations and does not constitute a finding of violation by the commission at this time.

After you respond in writing to this letter, there are several possible actions the commission, in its discretion, may take with respect to this matter. For example, the commission may:

- Issue an administrative penalty under RCW 81.88.040, or;

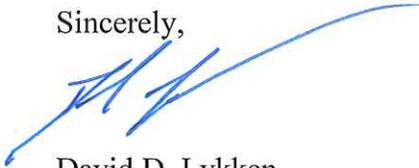
BP Pipelines (North America), Inc.  
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- Institute a complaint, seeking monetary penalties, changes in the company's practices, or other relief authorized by law, and justified by the circumstances, or;
- Consider the matter resolved without further commission action.

We have not yet decided whether to pursue a complaint or penalty in this matter. Should an administrative law judge decide to pursue a complaint or penalty, your company will have an opportunity to present its position directly to the commissioners.

If you have any questions or if we may be of any assistance, please contact Dennis Ritter at (360) 664-1159. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,



David D. Lykken  
Pipeline Safety Director

Enclosure

cc: Jim Bruen, DOT Team Leader-Programs, BP Pipelines (North America) Inc.

**UTILITIES AND TRANSPORTATION COMMISSION  
2014 Hazardous Liquid Pipeline Safety Standard Inspection  
Olympic Pipe Line Company-Intrastate Laterals**

The following probable violations and area of concern of Title 49 CFR Part 195 and WAC 480-75 were noted as a result of the 2014 inspection of the Olympic Pipe Line Company (OPL) - Intrastate Laterals. The inspection included a random selection of records, operation and maintenance (O&M), emergency response, and field inspection of the pipeline facilities.

**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><b>If the pipeline is located:</b></i>	<i><b>Then the frequency of inspection is:</b></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.

2. **WAC 480-75-510 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.

## AREA OF CONCERN / FIELD OBSERVATIONS

1. **49 CFR §195.573 What must I do to monitor external corrosion control?**
  - (a) *Protected pipelines. 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.