



McCHORD PIPELINE



3001 Marshall Ave.
Tacoma, WA 98421
(253) 593-6085

A Subsidiary of U.S. Oil & Refining Co.

December 24th, 2014

Washington Utilities and Transportation Commission
ATTN: David Lykken, Pipeline Safety Director
Pipeline Safety Section
1300 S. Evergreen Park Drive S.W.
PO Box 47250
Olympia, WA 98504-7250

RECEIVED
RECORDS MANAGEMENT
2014 DEC 26 PM 2:33
STATE OF WASHINGTON
UTIL. AND TRANSPORTATION
COMMISSION

Dear Mr. Lykken:

RE: 2014 Hazardous Liquid Pipeline Integrity Management Inspection – McChord Pipeline Company – (Insp. No. 5828)

Staff from the Washington Utilities and Transportation Commission (WUTC) conducted a hazardous liquid inspection from June 9th – 12th, 2014 for the McChord Pipeline Company (MPL) headquartered at U.S. Oil & Refining Co. in Tacoma, WA.

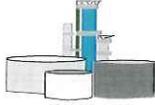
As a result of that inspection, WUTC found no probable violations and five (5) areas of concern. These areas of concern were communicated to MPL in a letter dated October 31st, 2014. The letter is attached for reference and the areas of concern are paraphrased below. MPL has updated our Integrity Management Program and Maintenance Manual as outlined below to address these areas of concern.

(1) WUTC Finding(s):

MPL may be susceptible to stress corrosion cracking (SCC) and the company's records are not comprehensive for evaluating the exposed pipeline for the threat of SCC. MPL has not determined if SCC is a threat. If the threat of SCC is determined, the proper assessment must be used.

MPL Response:

MPL has added stress corrosion cracking (SCC) as a risk factor in the Integrity Management Program.



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As part of the ongoing assessment of the Integrity Management Program, MPL has added that “After the next in-line inspection, during the verification digs the exposed pipe will be evaluated for SCC via NDE, as a baseline for susceptibility to SCC. These inspections will be performed circumferentially around the pipe and longitudinally, in the immediate vicinity where a repair or visual inspection is performed.”

(2) WUTC Finding(s):

MPL’s procedure for overland flow of liquid is contained in Appendix A for commodity spread and its effects on HCAs. Manholes for wastewater locations need to be identified and mapped in proximity to the pipeline.

MPL Response:

MPL has updated our pipeline maps with locations of storm drains and sewers in proximity to the pipeline. These maps have been included with Appendix A for our updated Integrity Management Program.

(3) WUTC Finding(s):

MPL’s records do not provide documentation for mitigation of AC current from ground faults. Company has not surveyed the pipeline for ground fault threats.

MPL Response:

MPL has surveyed the pipeline for AC ground fault threats and has created a map that shows the locations of high voltage transmission lines (>115 kV) in proximity to the pipeline. This map has been included with Appendix A for our updated Integrity Management Program.

(4) WUTC Finding(s):

MPL’s records for five (5) anomaly evaluations did not verify for SCC outside the dent area. Visual inspection was made around the exposed pipe with coating removed, but not checked for SCC beyond the dent area. If SCC is determined to be a threat, MPL will need to incorporate SCC into its risk assessment.



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MPL Response:

MPL has added SCC as a risk factor in the Integrity Management Program.

As part of the ongoing assessment of the Integrity Management Program, MPL has added that "After the next in-line inspection, during the verification digs the exposed pipe will be evaluated for SCC via NDE, as a baseline for susceptibility to SCC. These inspections will be performed circumferentially around the pipe and longitudinally, in the immediate vicinity where a repair or visual inspection is performed."

As part of the ongoing assessment of the Maintenance Manual, MPL has added that "When the buried pipe is exposed in order to inspect the pipe or perform a repair, remove the coating in the immediate vicinity of the repair and conduct a magnetic particle inspection circumferentially around the pipe as well longitudinally in order to check for stress corrosion cracking (SCC). Document the findings on a Non-Destructive Inspection Report as outlined in Paragraph 4".

(5) WUTC Finding(s):

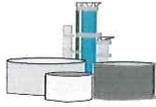
MPL's records are not comprehensive in evaluating if AC ground fault current and SCC are threats that need to be incorporated into MPL's risk assessment.

MPL Response:

MPL has surveyed the pipeline for AC ground fault threats and has created a map that shows the locations of high voltage transmission lines (>115 kV) in proximity to the pipeline. This map has been included with Appendix A for our updated Integrity Management Program.

AC ground fault has been added as a risk factor in the Integrity Management Program.

As part of the ongoing assessment of the Integrity Management Program, MPL has added that "After the next in-line inspection, during the verification digs the exposed pipe will be evaluated for SCC via NDE, as a baseline for susceptibility to SCC. These inspections will be performed circumferentially around the pipe and



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longitudinally, in the immediate vicinity where a repair or visual inspection is performed.”

MPL has added SCC as a risk factor in the Integrity Management Program.

We believe that we have adequately addressed the areas of concern identified during the inspection, and consider these closed. Integrity Management Program and Maintenance Manual updates were submitted to the WUTC on December 24th, 2014. Please let me know if you have questions.

Sincerely,

Nicholas D. Peelo
Chief Engineer, McChord Pipeline Company

Attachments: WUTC Letter Dated October 31st, 2014

CC: DHY, BMW, DMB