



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

December 10, 2015

Vincent Di Cosimo
VP Petroleum Logistics
Targa Resources
1000 Louisiana, Suite 4300
Houston, TX 77002

Dear Mr. Di Cosimo:

RE: 2015 Hazardous Liquid Standard Inspection – Targa Sound Terminal LLC – (Insp. No. 6207)

Staff from the Washington Utilities and Transportation Commission (staff) conducted a Standard Hazardous Liquid inspection from November 3 to November 4, 2015, of Targa Sound Terminal LLC (Targa). The inspection included a records review and inspection of the pipeline facilities.

Our inspection indicates one probable violation as noted in the enclosed report.

Your response needed

Please review the attached report and respond in writing by January 13, 2016. The response should include how and when you plan to bring the probable violations into full compliance.

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;

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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 Scott Rukke at (360) 664-1241. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,



Alan E. Rathbun
Pipeline Safety Director

Enclosure

cc: Troy Goodman, Targa Resources Area Manager /Targa Sound Terminal President
Tim Huffer, Manager, Regulatory Compliance, Targa Resources
Mathew Kolata, Environment, Health & Safety Specialist, Targa Sound Terminal LLC

UTILITIES AND TRANSPORTATION COMMISSION
2015 Hazardous Liquid Pipeline Safety Inspection
Targa Sound Terminal LLC

The following probable violation of Title 49 CFR Part 195 was noted as a result of the 2015 inspection of the Targa Sound Resources. The inspection included a random selection of records, operation and maintenance (O&M), emergency response, inventory, and field inspection of the pipeline facilities.

PROBABLE VIOLATIONS

1. **49 CFR §195.428 Overpressure safety devices and overfill protection systems**
 - (a) *Except as provided in paragraph (b) of this section, each operator shall, at intervals not exceeding 15 months, but at least once each calendar year, or in the case of pipelines used to carry highly volatile liquids, at intervals not to exceed 7½ months, but at least twice each calendar year, inspect and test each pressure limiting device, relief valve, pressure regulator, or other item of pressure control equipment to determine that it is functioning properly, is in good mechanical condition, and is adequate from the standpoint of capacity and reliability of operation for the service in which it is used.*
 - (d) *After October 2, 2000, the requirements of paragraphs (a) and (b) of this section for inspection and testing of pressure control equipment apply to the inspection and testing of overfill protection systems.*

Finding(s):

Targa personnel were unable to produce a record indicating that the overfill protection system for Targa's breakout tank was tested in 2014.