



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

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**CERTIFIED MAIL**

October 6, 2016

Gerald Maret  
President  
BP Pipelines (North America) Inc.  
US Pipelines and Logistics  
M.C. 9S  
30 S Wacker Drive  
Chicago, IL 60606

Dear Mr. Maret:

**RE: 2016 Hazardous Liquid Standard Inspection – BP Cherry Point – (Insp. No. 6755)**

Staff from the Washington Utilities and Transportation Commission (staff) conducted a Standard inspection from August 22 to 24, 2016, of BP Cherry Point's 24-inch crude line and 6-inch butane line. The inspection included a records review and inspection of the pipeline facilities.

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

There is also one area which requires clarification. The pump supplying energy to transport the butane by pipeline in previous inspections was considered non-regulated. This assumption was questioned during this inspection as the pump is dedicated to move product from BP Cherry Point refinery to AltaGas. After review, we consider the pump station and the discharge line part of the "pipeline system" per 49 CFR §195.2 Definitions. Given the inspection history of this unit, this would not be a probable violation. However, BP will be required to meet all necessary requirements of state and federal code pertaining to this part of the pipeline system and future inspections will validate BP's efforts.

**Your response needed**

Please review the attached report and respond in writing by November 8, 2016. The response should include how and when you plan to bring the probable violations into full compliance.

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2016 Standard Inspection, BP Cherry Point  
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**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 81.04.405; or
- Issue a complaint under RCW 81.88.040, seeking monetary penalties, changes in the company's practices, or other relief authorized by law, and justified by the circumstances. Any pipeline company that violates any pipeline safety provision of any commission order, or any rule in this chapter including those rules adopted by reference, or chapter 81.88 RCW is subject to a civil penalty not to exceed two hundred thousand dollars for each violation for each day that the violation persists. The maximum civil penalty for a related series of violations is two million dollars; or
- Consider the matter resolved without further commission action.

We have not yet decided whether to pursue a penalty or complaint in this matter. Should the commission decide to assess a penalty or initiate a complaint, your company will have an opportunity to respond and formally present its position.

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,



Alan E. Rathbun  
Pipeline Safety Director

Enclosure

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

**UTILITIES AND TRANSPORTATION COMMISSION**  
**2016 Hazardous Liquid Pipeline Safety Standard Inspection**  
**BP Pipelines (North America) Inc.--BP Cherry Point**

The following probable violation(s) and area of concern of Title 49 CFR Part 195 and WAC 480-75 were noted as a result of the 2016 inspection of the BP Pipelines (North America) Inc.- BP Cherry Point. 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 §195.589 What corrosion control information do I have to maintain?**  
*(c) You must maintain a record of each analysis, check, demonstration, examination, inspection, investigation, review, survey, and test required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that corrosion requiring control measures does not exist. You must retain these records for at least 5 years, except that records related to Secs. 195.569, 195.573(a) and (b), and 195.579(b)(3) and (c) must be retained for as long as the pipeline remains in service.*

**Finding(s):**

During field inspection, the cathodic protection specialist for BP was asked if the multimeter and copper copper sulfate half cell had been calibrated per manufacturer's recommendation and BP's OMER. The multimeter was calibrated however, BP stated they do not record the calibration of the half cells. They stated they use a reference cell to calibrate the half cell. In checking BP's OMER 195.551, it does not specifically require the half cell to be calibrated. This is a concern as BP has no way of confirming the accuracy of its half cells if they have no record of calibration. The code requires BP to *record each analysis, check, test...to demonstrate the adequacy of corrosion control*. The calibration of half cells should be recorded and maintained for 5 years.

2. **49 CFR §195.440 Public awareness**  
*(b) The operator's program must follow the general program recommendations of API RP 1162 and assess the unique attributes and characteristics of the operator's pipeline and facilities.*

*API RP 1162 4.4.1 Priority to Protect Life*

*The operator's key messages to emergency officials should emphasize that public safety and environmental protection are the top priorities in any pipeline emergency response.*

**Finding(s):**

It was noted that BP's (BP contracts with Paradigm for pamphlet and message content) Pamphlet for Emergency Response and Public Officials, page 5, stated that protecting people first, then property is a priority. However, this message was on page 5 of the pamphlet and well down the list of bulleted messages. It was not bolded nor did it stand out in any way as the "top priority" message. As required in RP 1162 4.4.1, this message

must be emphasized in educating emergency officials about the response from pipeline personnel. It does not appear to be emphasized in the materials reviewed.

### AREA OF CONCERN

1. **49 CFR §195.266 Construction records**

*A complete record that shows the following must be maintained by the involved for the life of each pipeline facility:*

*(e) The location of each overhead crossing.*

**Finding(s):**

During review of the as built (BP refers to them as “line” drawings) for both the 24” crude line (1970) and the 6” butane line (1986) overhead lines (power, phone, etc.) were not noted on the drawings. 49 CFR §195.266(e) specifically requires these lines to be shown. As both of these lines are post code, this information should be shown on the drawings. However, it is not known what overhead lines existed when the original construction occurred. BP needs to locate and identify the overhead lines and put them on their maps.