



STATE OF WASHINGTON
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

August 15, 2013

Vincent DiCosimo
VP - Petroleum Logistics
Targa Resources
1000 Louisiana, Suite 4300
Houston, TX 77002

Dear Mr. DiCosimo:

RE: 2013 Hazardous Liquid Safety Inspection - Targa Resources -Targa Sound Terminal LLC

Staff from the Washington Utilities and Transportation Commission (staff) conducted a hazardous liquid safety inspection from August 5 - 7, 2013 of Targa Resources, Targa Sound Terminal, LLC (Targa). The inspection included a records review and inspection of the pipeline facilities.

No apparent violations were noted as a result of the inspection.

This was the first pipeline safety inspection of your Tacoma facilities. The facilities were constructed in 2012, and placed into operation in January, 2013. As of the time of this inspection, many of the prescriptive requirements of 49 CFR 195 had not been completed as the facility simply had not been in service long enough to have such documents. However, staff is encouraged by what they did see. Targa Sound Terminal staff was professional, organized and knowledgeable regarding hazardous liquid safety regulations and the operation of the pipeline facilities. We would expect this operational culture to continue. Additionally, there are three other pipeline safety inspections which still need to occur.

The Comprehensive Combined Anti-Drug and Alcohol Misuse Program audit is scheduled for November 4-5, 2013. The Integrity Management Program (IMP) inspection will be scheduled after one year of operation after January, 2014. Also, during the inspection there was some question whether Targa's product delivery system and SCADA control constituted a "control room" per 49 CFR Part 195. After discussion with the federal Pipeline and Hazardous Material Safety Administration, staff determined your control operations during product delivery constitute controller functions. As such, a Control Room Management inspection will also be scheduled for some time in 2014.



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Staff would like to thank Targa's personnel for their professionalism and cooperation during this inspection.

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,

A handwritten signature in black ink, appearing to read 'D. Lykken', with a long horizontal flourish extending to the right.

David D. Lykken
Pipeline Safety Director

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