

October 30, 2018

Mr. Sean C. Mayo Pipeline Safety Director Utilities and Transportation Commission 1300 S. Evergreen Park Drive S.W. Olympia, WA 98504

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RE:

Targa Sound Terminal LLC 2018 Hazardous Liquid Integrity Management Plan Inspection Inspection No. 7562 Notice of Violation Response UTC
Pipeline Safety Program

Dear Mr. Mayo:

Targa Sound Terminal LLC (Targa) received your letter dated October 1, 2018, regarding a Hazardous Liquid Integrity Management Pan Inspection that was conducted by the UTC between September 10<sup>th</sup> and 11<sup>th</sup>. This letter is intended to provide the response required by your letter in regards to the listed probable violations and area of concern from the September inspection. Targa's response to the findings stated in your October 1, 2018 letter is as follows:

1. UTC Observation: 49 CFR 195.452 – Pipeline integrity management in high consequence areas. Targa needs to add language to its plan stating that an analysis will be performed to determine if there are any areas inside the HCA where product could spread/pool and be transported to waterways impacting the HCA.

**Targa Response**: Section 1.3 of the Integrity Management Plan has been updated to reflect a requirement to perform a spill trace along the pipeline route. New language to the plan states:

- To determine the impact of a spill or release on an HCA, Targa shall perform a spill trace analysis which will include an overland spread analysis to determine if there are any areas inside the HCA where product could spread/pool and be transported to waterways impacting the HCA.
- 2. UTC Observation: 49 CFR 195.452 Pipeline integrity management in high consequence areas. Targa does not have records for an overland flow analysis. The analysis should describe product pools/spreads, and transport to storm drain or ditches, specifically at the pump station and terminal.

**Targa Response:** A Spill Trace Analysis, as described in Section 1.3 of the Integrity Management Plan, will be performed on the pipeline route to determine how overland flow could impact an HCA. The trace data as well as access to storm drains will be been added to the facility's Geographic Information Planning Tool and a physical copy of the record and added to the Facility Response Plan.

3. UTC Area of Concern: 49 CFR 195.583 – Atmospheric Corrosion Control
Regulated pipe at the pump station had missing coating in areas, particularly around the butt welds.
Targa stated this line was in the process of being recoated. If not recoated, the marine atmosphere near this location could lead to corrosion issues.

**Targa Response:** The identified areas of concern on the pipeline dealt with flaking paint found at the pump station during an atmospheric corrosion inspection. The issue has since been addressed and all exposed portions of the pipe have been repainted with work completed on September 27, 2018.

Targa Sound Terminal's focus on operating the pipeline is to maintain compliance with all applicable rules and regulations. We appreciate the opportunity to work with the UTC to identify these areas and to strengthen our operations. Targa is confident that this issue has been addressed satisfactorily and requests that no further action be needed to rectify this issue.

If you have any questions regarding this information, please contact Matthew Kolata at 253-579-1947.

Sincerely,

Vincent J. Di Cosimo Senior Vice President

cc

Matthew Kolata Tim Huffer

Troy Goodman