T I D E W A T E R

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September 17, 2011

Mr. David D. Lykken
Pipeline Safety Director
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. S.W.
P.O. Box 47250
Olympia, Washington 98504-7250

RE: Response Letter
2011 Intrastate Hazardous Liquid Standard Inspection Report
Tidewater Terminal Company
Snake River Terminal
671 Tank Farm Road
Pasco, Washington 99301
Ref. No. Docket PL-110008

Dear Mr. Lykken,

The Washington Utilities and Transportation Commission (UTC) conducted a standard hazardous liquid inspection of Tidewater Terminal Company's pipeline at the Snake River Terminal on July 13-15, 2011. The inspection identified ten probable violations and one area of concern. The probable violations and area of concern were described in an inspection report (Docket NO. PL-110008) which was attached to UTC's letter dated August 23, 2011. UTC's letter requests Tidewater to review the inspection report and respond in writing by September 23, 2011 with a description of how and when Tidewater plans to bring the probable violations into full compliance.

Tidewater has completed its review of the inspection report and has developed a plan to address each of the probable violations, as well as the area of concern. Proposed corrective actions for each of the probable violations and the area of concern are described in the attached spreadsheet. With the exception of the first finding, which we believe was in part resolved through previous correspondence with UTC (information submitted to UTC on September 2, 2011), we propose an October 31, 2011 completion date for all of the corrective actions. Please know that we have already begun work related to completing many of the corrective actions, and will also track each of the corrective actions through closure using our new internal audit tracking system.

Tidewater appreciates UTC's assistance relative to pipeline compliance and trust the proposed corrective actions will be deemed sufficient to bring the probable violations and area of concern into full compliance. Please contact the undersigned at 360-693-1491 if you have any questions concerning the attached spreadsheet or if you require additional information.

Sincerely,

William H. Collins
Environmental Manager

cc: Joe Subsits – Washington Utilities and Transportation Commission
Pat Jensen – Snake River Terminal

PROBABLE VIOLATIONS

	Regulation	Finding	Corrective Action	Due Date	Completion Date
1	**49 U.S.C 60132, Subsection (b) Submission of Data to the National Pipeline Mapping System Under the Pipeline Safety Improvement Act of 2002** *Subsection (b): Updates--Once a submission is made to comply with the June 17, 2003, statutory deadline, operators are required to make update submissions every twelve (12) months ifany system modifications have occurred. Ifno modifications have occurred since the last complete operator contact information), send an email to opsgis@rspa.dot.gov stating that fact. Include operator contact information with all updates. Pipeline operators may update previous NPMS submissions in one of two ways. For digital data, submit replacement data for an entire system. For paper maps, submit replacement maps for those portions of pipeline systems that have changed. This option is available only for those pipeline operators who have to submit paper maps.*	Tidewater Terminal could not demonstrate that they had sent the required information or notification of no changes to the NPMS within the required time frame.	Tidewater Terminal Company (Tidewater) received a letter from the U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration (PHMSA) dated August 19, 2011 requesting geospatial data appropriate for use in National Pipeline Mapping System (NPMS), along with metadata/attributes, operator contact information to be made available to the public, and a transmittal form. Submission of the data or a notice of no changes from Tidewater was required by September 2, 2011 to avoid referral to the enforcement office. The required NPMS submission was provided to PHMSA on September 2, 2011. A task will be created in Tidewater's compliance management tasking system as a reminder to either complete the update submissions or report no modifications on an annual frequency.	September 2, 2011	September 2, 2011
2	**49 CFR §195.204 Inspection-General.** *Inspection must be provided to ensure the installation of pipe or pipeline systems in accordance with the requirements of this subpart. No person may be used to perform inspections unless that person has been trained and is qualified in the phase of construction to be inspected.*	No records were available to demonstrate breakout tank piping welds were inspected by a qualified welding inspector.	Tidewater will evaluate and determine the training requirements necessary for designation as a "qualified welding inspector". If a Tidewater employee is to be used to inspect future welds, the employee will be trained as required, and documentation will be maintained onsite to demonstrate training completion. If an outside contractor is to be used to inspect future welds, the contractor will supply necessary documentation indicating sufficient training prior to inspecting welds. Tidewater's Welding Procedure Specifications and Testing Selection Manual will be modified to include a check to document the welding inspector has completed the necessary training and that training records were reviewed and are on file. A task will be created in Tidewater's compliance management tasking system to periodically review training record documentation for qualified welding inspectors. Additionally, the welds identified as needing to be inspected by a qualified welding inspector were inspected after the July 2011 audit. The results of the welding inspection will be provided to the Washington Utilities and Transportation Commission (UTC) on or before October 31, 2011 in conjunction with follow up correspondence to UTC to document completion of corrective actions necessary to bring the probable violations identified during the audit into compliance.	October 31, 2011	
3	**49 CFR §195.222 Welders: Qualification of welders.** *(b)No welder may weld with a welding process unless, within the preceding 6 calendar months, the welder has--* *(1)Engaged in welding with that process; and* *(2)Had one welded tested and found acceptable under section 9 of API 1104 (ibr, see §195.3).*	Records were not available or not provided that demonstrated welders performing repairs had welded with that process within the preceding 6 calendar months and had one weld tested and found acceptable under section 9 of API 1104.	Tidewater's Welding Specifications and Testing Selection Manual will be modified to include a check to document welders performing repairs have welded the process within the preceding six calendar months and have documentation to confirm that at least one weld of the same procedure was tested and found acceptable under American Petroleum Institute (API) Standard 1104, Section 9. Individual welder's log books will be also populated with weld procedures conducted within the last six calendar months. A task will be created in Tidewater's compliance management tasking system for purposes of periodically updating welder's log books for welding procedures.	October 31, 2011	

4	**49 CFR §195.310 Records** **(a)** *A record must be made of each pressure test required by this subpart, and the record of the latest test must be retained as long as the facility tested is in use.* *(b) The record required by paragraph (a) of this section must include:* *(1) The pressure recording charts;* *(2) Test instrument calibration data;* *(3) The name of the operator, the name of the person responsible for making the test, and the name of the test company used, if any;* *(4) The date and time of the test;* *(5) The minimum test pressure;* *(6) The test medium;* *(7) A description of the facility tested and the test apparatus;* *(8) An explanation of any pressure discontinuities, including test failures, that appear on the pressure recording charts; and,* *(9) Where elevation differences in the section under test exceed 100 feet (30 meters), a profile of the pipeline that shows the elevation and test sites over the entire length of the test section.* *(10) Temperature of the test medium or pipe during the test period.*	The operator provided documentation of a pressure test conducted on 7-19-2011. The record provided did not include: 1.The pressure recording charts. 2.Test instrument calibration data. 3.The test medium. 4.The test apparatus.	Tidewater's DOT Pipeline Hydrotest Procedure will be modified to include a check for all required records (i.e., those specified in 49 CFR 195.310(b)). A task will be created in Tidewater's compliance management tasking system for purposes of periodically reviewing hydrotest records to ensure documentation of all of the required records is present and maintained on site. Regarding the hydrotest conducted on July 19, 2011, recordings of the pressure charts were not made, and therefore, cannot be supplied to UTC. However, Tidewater will re-test and record the pressure charts for submittal if instructed to do so by UTC. Other records for the July 19, 2011 test will be updated to include the test instrument calibration data, test medium, and test apparatus and submitted to UTC on or before October 31, 2011 in conjunction with follow up correspondence to UTC to document completion of corrective actions necessary to bring the probable violations identified during the audit into compliance. Lastly, Tidewater will purchase a pressure chart recorder for use in future pressure tests.	October 31, 2011	
5	**49 CFR §195.402 Procedural manual for operations, maintenance, and emergencies** *(c)Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:* *(13)Periodically reviewing the work done by operator to determine the effectiveness of the procedures used in normal operation and maintenance and taking corrective action where deficiencies are found.*	The operator could not provide records that demonstrated that they periodically reviewed personnel work to determine the effectiveness of normal O&M procedures.	Tidewater will annually review the effectiveness of covered procedures with operations personnel during Lock Closure Training (i.e., the time each year during which the river system is closed to traffic because of routine lock maintenance). The training will allow for the operators to offer comments regarding the effectiveness of each procedure. A task will be created in Tidewater's compliance management tasking system to notify operations management of the training date and the documentation necessary to demonstrate that the training was conducted and that the effectiveness of the procedures was reviewed. Additionally, once per quarter, the procedure for one covered task will be reviewed with an operator while conducting or simulating the task to further evaluate the effectiveness of the procedure. A task will also be added to Tidewater's compliance management system to notify operations management of the quarterly procedure review and the documentation necessary to demonstrate the review was conducted and the effectiveness of the procedure was evaluated.	October 31, 2011	
6	**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 7 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.*	Alarm logs were provided, but did not contain records for tanks 2, 4, 14, or 34. These tanks may have been taken out of or brought into service, but clarification is requested. Additionally, at least two years of records (three preferred) is necessary in order to ensure that the overfill system was inspected at least once each calendar year - not to exceed 15 months.	High level alarms for tanks involved in transfers are routinely checked by Tidewater operators prior to conducting the transfers. To better document these tests, Tidewater's transfer procedure and Pre- and Post-Transfer Checklist will be modified to include a check of the high level alarm prior to conducting a transfer. Additionally, a task will be added to Tidewater's compliance management tasking system for an annual high-level alarm test for all affected tanks. After the July 2011 audit, Tidewater's maintenance lead tested the high level alarms for all tanks, including the alarms for Tanks 2, 4, 14, and 34. Alarm logs for these tests (2011) and for the preceding two years (2010 and 2009) will be provided to UTC on or before October 31, 2011 in conjunction with follow up correspondence to UTC to document completion of corrective actions necessary to bring the probable violations identified during the audit into compliance.	October 31, 2011	

7	**49 CFR §195.440 Public awareness.** *(i) The operator's program documentation and evaluation results must be available for periodic review by appropriate regulatory agencies.*	The operator could not locate or provide records that demonstrated they reviewed their program for effectiveness within the required time frame.	Tidewater's public education program currently involves annual placement of advertisements in the local newspapers (both Spanish and English newspapers), letters to excavators, and discussions with neighboring businesses (i.e., with Chevron and Tri-Cities Grain) regarding the attributes and characteristics of Tidewater's pipeline. This program will be expanded to include communications with the local emergency planning commission (LEPC) and the City Council so as to invite more public participation. Tidewater's communications manager will develop a program to evaluate the effectiveness of the public education program. Given the size of our pipeline, we envision a simple evaluation consisting of follow-up phone calls and/or meetings with affected members of the public to determine if the information was received and clearly understood, as well as to identify areas for improvement. These evaluations will be conducted once every three years. Additionally, tasks will be created in Tidewater's compliance management tasking system for the annual public education announcements described above and the 3-year public education effectiveness evaluation.	October 31, 2011	
8	**49 CFR §195.579 What must I do to mitigate internal corrosion?** *(c)Removing pipe. Whenever you remove pipe from a pipeline, you must inspect the internal surface of the pipe for evidence of corrosion. If you find internal corrosion requiring corrective action under Sec. 195.585, you must investigate circumferentially and longitudinally beyond the removed pipe (by visual examination, indirect method, or both) to determine whether additional corrosion requiring remedial action exists in the vicinity of the removed pipe.*	The operator could not provide records demonstrating they inspect and document all removed pipe for internal corrosion.	As discussed during the July 2011 audit, two sections of pipe subject to PHMSA regulations were removed from service to address potential corrosion issues identified during an in-line survey (i.e., smart pig survey). The in-line survey did not indicate the presence of internal corrosion. Sections of the pipe where external corrosion was present and presumably caused by the external denting, were cut out and visually inspected both internally and externally. Although external corrosion was evident in the vicinity of the dent(s), no internal corrosion was observed on the removed sections of pipe. Pictures of the removed sections of pipe were taken to document the internal and external visual observations. Based on the results of the in-line inspection and visual observations, Tidewater's maintenance supervisor concluded no internal corrosion was present and no further investigation was necessary. Tidewater acknowledges that documentation of field visual observations can be improved, but emphasizes that both visual internal and external observations were made in addition to the smart pig survey of the subject piping. Regardless, Tidewater will modify procedures for removing pipe to include a check to document that visual inspection for the presence or absence of internal corrosion was conducted. Additionally, pictures of the removed sections of the pipe where denting and external corrosion were observed will be provided to UTC on or before October 31, 2011 in conjunction with follow up correspondence to UTC to document completion of corrective actions necessary to bring the probable violations identified during the audit into compliance.	October 31, 2011	

9	**49 CFR §195.583 What must I do to monitor atmospheric corrosion control?** *(a)You must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows* *If the pipeline is* / *Then the frequency of* *Onshore ....* / *At least once every 3 calendar years, but with intervals not exceeding 39 months*	Atmospheric inspections need to include plant piping that connects the breakout tanks to the transfer piping. The operator could not provide records demonstrating the atmospheric monitoring task was completed within the required time frame.	Tidewater conducted annual atmospheric corrosion inspections during 2006 and 2007, but failed to conduct the inspection as required during 2010. Since the July 2011 audit, Tidewater has conducted an annual corrosion inspection (i.e., a 2011 inspection). Results of the 2006, 2007, and recently conducted 2011 will be provided to UTC on or before October 31, 2011 in conjunction with follow up correspondence to UTC to document completion of corrective actions necessary to bring the probable violations identified during the audit into compliance. Moving forward, Tidewater will conduct atmospheric corrosion inspections on an annual frequency. A task will also be created in Tidewater's compliance management tasking system for an annual atmospheric corrosion inspection.	October 31, 2011	
10	**49 CFR §195.507 Recordkeeping.** *Each operator shall maintain records that demonstrate compliance with this subpart. (a)Qualification records shall include:* *(2)Identification of the covered tasks the individual is qualified to perform;*	Relief valve testing was not listed as a covered task. It is not clear if all key covered tasks are identified. Please describe the process used to identify covered tasks and describe how Tidewater will ensure that the covered task list is complete.	Tidewater uses the Operator Qualifications Management System by Concord Associates, Inc. to manage its Operators Qualification (OQ) program. Review of the program confirms that relief valve testing is a qualified task. To ensure the covered task list is complete, a task will be included in Tidewater's compliance management tasking system for an annual review of the OQ program, during which a review of covered tasks will be conducted.	October 15, 2011	

AREAS OF CONCERN

1	**<u>49 CFR §195.583 What must I do to monitor atmospheric corrosion control?</u>** *(b)During inspections you must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbanded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.*	There were several non-removable supports on Tidewater Terminal's above ground piping at the Chevron delivery facility. Several supports had some corrosion product present weeping out between the supports and the carrier pipe. Steps should be taken to ensure that the carrier pipe wall under the supports also is subject to atmospheric corrosion monitoring and appropriate steps taken if corrosion is found.	The angle iron that cradled the pipe observed during the July 2011 audit will be removed, and the dielectric material between the pipe and the support(s) will either be repositioned or replaced with new material. Photographs documenting the repairs will be provided to UTC on or before October 31, 2011 in conjunction with follow up correspondence to UTC to document completion of corrective actions necessary to bring the probable violations identified during the audit into compliance.	October 31, 2011	

Woodard, Marina (UTC)

From: Subsits, Joe (UTC)
Sent: Thursday, September 22, 2011 8:10 AM
To: Woodard, Marina (UTC)
Subject: FW: Response Letter - Tidewater Snake River Terminal - 2011 Inspection Report (Ref. No. Docket PL-110008)
Attachments: Response Letter_SRT_2011 Inspection Report.pdf

FYI

From: Bill Collins [mailto:bill.collins@tidewater.com]
Sent: Tuesday, September 20, 2011 9:51 AM
To: Subsits, Joe (UTC)
Cc: Pat Jensen; Ron McClary; Mark Davis; Joshua Jarman; Sam Pounds
Subject: Response Letter - Tidewater Snake River Terminal - 2011 Inspection Report (Ref. No. Docket PL-110008)

Joe, The attached letter/spreadsheet responds to WUTC's inspection report for the recently conducted audit a Tidewater Terminal Company's Snake River Terminal, Pasco, Washington. The spreadsheet reiterates each of the audit findings and provides a description of the corrective actions/due dates designed to bring the probable violations/area of concern into full compliance. A hard copy addressed to David Lykken went out today via certified mail. You were copied on the submittal. We hope you find the corrective actions adequate, but also welcome any comments you may have. Until we hear otherwise from UTC, we will proceed with the corrective actions as described in the spreadsheet with an anticipated due date of October 31, 2011 for all findings. Please contact me if you have any questions. Bill Collins

William H. (Bill) Collins
Environmental Manager
Tidewater Barge Lines/Tidewater Terminal Company
6305 NW Old Lower River Rd.
Vancouver, WA 98660
direct: 360-759-0306
cell: 360-831-4123
WA: 360-693-1491
OR: 503-281-0081
fax: 360-694-8981
Bill.Collins@tidewater.com

T I D E W A T E R

Certified Mail 7003 1010 0002 1344 0235

September 17, 2011

Mr. David D. Lykken
Pipeline Safety Director
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. S.W.
P.O. Box 47250
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RE: Response Letter
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671 Tank Farm Road
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TIDEWATER TERMINAL COMPANY
P.O. Box 1210 • Vancouver, WA 98666-1210 • (360) 693-1491 • (503) 281-0081 • (800) 562-1607

Tidewater appreciates UTC's assistance relative to pipeline compliance and trust the proposed corrective actions will be deemed sufficient to bring the probable violations and area of concern into full compliance. Please contact the undersigned at 360-693-1491 if you have any questions concerning the attached spreadsheet or if you require additional information.

Sincerely,

William H. Collins
Environmental Manager

cc: Joe Subsits – Washington Utilities and Transportation Commission
Pat Jensen – Snake River Terminal

PROBABLE VIOLATIONS

	Regulation	Finding	Corrective Action	Due Date	Completion Date
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2	**49 CFR §195.204 Inspection-General.** *Inspection must be provided to ensure the installation of pipe or pipeline systems in accordance with the requirements of this subpart. No person may be used to perform inspections unless that person has been trained and is qualified in the phase of construction to be inspected.*	No records were available to demonstrate breakout tank piping welds were inspected by a qualified welding inspector.	Tidewater will evaluate and determine the training requirements necessary for designation as a "qualified welding inspector". If a Tidewater employee is to be used to inspect future welds, the employee will be trained as required, and documentation will be maintained onsite to demonstrate training completion. If an outside contractor is to be used to inspect future welds, the contractor will supply necessary documentation indicating sufficient training prior to inspecting welds. Tidewater's Welding Procedure Specifications and Testing Selection Manual will be modified to include a check to document the welding inspector has completed the necessary training and that training records were reviewed and are on file. A task will be created in Tidewater's compliance management tasking system to periodically review training record documentation for qualified welding inspectors. Additionally, the welds identified as needing to be inspected by a qualified welding inspector were inspected after the July 2011 audit. The results of the welding inspection will be provided to the Washington Utilities and Transportation Commission (UTC) on or before October 31, 2011 in conjunction with follow up correspondence to UTC to document completion of corrective actions necessary to bring the probable violations identified during the audit into compliance.	October 31, 2011	
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6	**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 7 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.*	Alarm logs were provided, but did not contain records for tanks 2, 4, 14, or 34. These tanks may have been taken out of or brought into service, but clarification is requested. Additionally, at least two years of records (three preferred) is necessary in order to ensure that the overfill system was inspected at least once each calendar year - not to exceed 15 months.	High level alarms for tanks involved in transfers are routinely checked by Tidewater operators prior to conducting the transfers. To better document these tests, Tidewater's transfer procedure and Pre- and Post-Transfer Checklist will be modified to include a check of the high level alarm prior to conducting a transfer. Additionally, a task will be added to Tidewater's compliance management tasking system for an annual high-level alarm test for all affected tanks. After the July 2011 audit, Tidewater's maintenance lead tested the high level alarms for all tanks, including the alarms for Tanks 2, 4, 14, and 34. Alarm logs for these tests (2011) and for the preceding two years (2010 and 2009) will be provided to UTC on or before October 31, 2011 in conjunction with follow up correspondence to UTC to document completion of corrective actions necessary to bring the probable violations identified during the audit into compliance.	October 31, 2011	

7	**49 CFR §195.440 Public awareness.** *(i) The operator's program documentation and evaluation results must be available for periodic review by appropriate regulatory agencies.*	The operator could not locate or provide records that demonstrated they reviewed their program for effectiveness within the required time frame.	Tidewater's public education program currently involves annual placement of advertisements in the local newspapers (both Spanish and English newspapers), letters to excavators, and discussions with neighboring businesses (i.e., with Chevron and Tri-Cities Grain) regarding the attributes and characteristics of Tidewater's pipeline. This program will be expanded to include communications with the local emergency planning commission (LEPC) and the City Council so as to invite more public participation. Tidewater's communications manager will develop a program to evaluate the effectiveness of the public education program. Given the size of our pipeline, we envision a simple evaluation consisting of follow-up phone calls and/or meetings with affected members of the public to determine if the information was received and clearly understood, as well as to identify areas for improvement. These evaluations will be conducted once every three years. Additionally, tasks will be created in Tidewater's compliance management tasking system for the annual public education announcements described above and the 3-year public education effectiveness evaluation.	October 31, 2011	
8	**49 CFR §195.579 What must I do to mitigate internal corrosion?** *(c)Removing pipe. Whenever you remove pipe from a pipeline, you must inspect the internal surface of the pipe for evidence of corrosion. If you find internal corrosion requiring corrective action under Sec. 195.585, you must investigate circumferentially and longitudinally beyond the removed pipe (by visual examination, indirect method, or both) to determine whether additional corrosion requiring remedial action exists in the vicinity of the removed pipe.*	The operator could not provide records demonstrating they inspect and document all removed pipe for internal corrosion.	As discussed during the July 2011 audit, two sections of pipe subject to PHMSA regulations were removed from service to address potential corrosion issues identified during an in-line survey (i.e., smart pig survey). The in-line survey did not indicate the presence of internal corrosion. Sections of the pipe where external corrosion was present and presumably caused by the external denting, were cut out and visually inspected both internally and externally. Although external corrosion was evident in the vicinity of the dent(s), no internal corrosion was observed on the removed sections of pipe. Pictures of the removed sections of pipe were taken to document the internal and external visual observations. Based on the results of the in-line inspection and visual observations, Tidewater's maintenance supervisor concluded no internal corrosion was present and no further investigation was necessary. Tidewater acknowledges that documentation of field visual observations can be improved, but emphasizes that both visual internal and external observations were made in addition to the smart pig survey of the subject piping. Regardless, Tidewater will modify procedures for removing pipe to include a check to document that visual inspection for the presence or absence of internal corrosion was conducted. Additionally, pictures of the removed sections of the pipe where denting and external corrosion were observed will be provided to UTC on or before October 31, 2011 in conjunction with follow up correspondence to UTC to document completion of corrective actions necessary to bring the probable violations identified during the audit into compliance.	October 31, 2011	

9	**49 CFR §195.583 What must I do to monitor atmospheric corrosion control?** *(a)You must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows* *If the pipeline is* / *Then the frequency of* *Onshore* / *At least once every 3 calendar years, but with intervals not exceeding 39 months*	Atmospheric inspections need to include plant piping that connects the breakout tanks to the transfer piping. The operator could not provide records demonstrating the atmospheric monitoring task was completed within the required time frame.	Tidewater conducted annual atmospheric corrosion inspections during 2006 and 2007, but failed to conduct the inspection as required during 2010. Since the July 2011 audit, Tidewater has conducted an annual corrosion inspection (i.e., a 2011 inspection). Results of the 2006, 2007, and recently conducted 2011 will be provided to UTC on or before October 31, 2011 in conjunction with follow up correspondence to UTC to document completion of corrective actions necessary to bring the probable violations identified during the audit into compliance. Moving forward, Tidewater will conduct atmospheric corrosion inspections on an annual frequency. A task will also be created in Tidewater's compliance management tasking system for an annual atmospheric corrosion inspection.	October 31, 2011	
10	**49 CFR §195.507 Recordkeeping.** *Each operator shall maintain records that demonstrate compliance with this subpart. (a)Qualification records shall include:* *(2)Identification of the covered tasks the individual is qualified to perform;*	Relief valve testing was not listed as a covered task. It is not clear if all key covered tasks are identified. Please describe the process used to identify covered tasks and describe how Tidewater will ensure that the covered task list is complete.	Tidewater uses the Operator Qualifications Management System by Concord Associates, Inc. to manage its Operators Qualification (OQ) program. Review of the program confirms that relief valve testing is a qualified task. To ensure the covered task list is complete, a task will be included in Tidewater's compliance management tasking system for an annual review of the OQ program, during which a review of covered tasks will be conducted.	October 15, 2011	

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1	**49 CFR §195.583 What must I do to monitor atmospheric corrosion control?** *(b)During inspections you must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbanded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.*	There were several non-removable supports on Tidewater Terminal's above ground piping at the Chevron delivery facility. Several supports had some corrosion product present weeping out between the supports and the carrier pipe. Steps should be taken to ensure that the carrier pipe wall under the supports also is subject to atmospheric corrosion monitoring and appropriate steps taken if corrosion is found.	The angle iron that cradled the pipe observed during the July 2011 audit will be removed, and the dielectric material between the pipe and the support(s) will either be repositioned or replaced with new material. Photographs documenting the repairs will be provided to UTC on or before October 31, 2011 in conjunction with follow up correspondence to UTC to document completion of corrective actions necessary to bring the probable violations identified during the audit into compliance.	October 31, 2011	