

March 4, 2002

Ms. Carole Washburn, Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr., S. W.
P.O. Box 47250
Olympia, Washington 98504-7250

Re: Hazardous Liquids Pipeline Safety Rulemaking Chapter 480-75 WAC
Docket No. TO-000712

Dear Secretary Washburn:

BP submits these comments in response to the Notice of Opportunity to File Written Comments on Hazardous Liquids Pipeline Safety Rulemaking (Docket No. TO-000712). BP is involved in many aspects of the energy industry, including oil and gas exploration, production, transportation, refining, and marketing of petroleum products. We operate over 10,000 miles of liquid petroleum trunk pipelines in the United States. As the new operator of Olympic Pipe Line Company, we operate 400 miles of pipeline transporting petroleum products in the States of Washington and Oregon. Our comments specifically address improved safety and environmental protection for hazardous liquid pipelines in the State of Washington.

BP supports the Washington Utilities and Transportation Commission (WUTC) in its role as a participant in the oversight of the pipelines industry. We support WUTC's intent to provide further assurances to the public of its ability to understand, influence, and assess the safety and environmental performance of pipeline operators. We are committed to continually improving our performance and to aid others in the industry to improve the safety and environmental performance of their pipeline operations.

BP supports WUTC's use of 49 CFR 195 for pipeline design, construction, and operations. These regulations prescribe the standards for new pipeline systems and operation and maintenance of existing pipeline systems. Many specifications and standards in 49 CFR 195 are based on sound engineering practices from NFPA, AGA, API, ANSI, ASME, ASTM, and others.

BP is actively participating in the development and improvement of industry standards. We intend to continue to work with interested parties to develop the industry standards,

and provide comments to the Office of Pipeline Safety (OPS) to assure the effectiveness of new rules on public safety and environmental protection.

The questions raised by WUTC in this Notice and Proposed Rules are discussed within our organization on an ongoing basis in the context of design, construction, operating and maintenance decisions. As you can imagine, the answers vary depending on many factors, including the specific operation (e.g., product characteristics, receiving and delivery requirements), the environment (e.g., terrain, hydrogeology), and technology. To ensure safe, reliable performance of our assets, it is our responsibility to integrate all of these variables into our decision-making related to the design and construction of our facilities, and then to monitor performance and improve our processes. Detailed, prescriptive requirements can result in a false sense of security, because the most effective design and construction for one section of pipeline, may be less effective in another section of pipeline. For this reason 49 CFR Part 195 and associated standards provide a consistent framework which allows flexibility to address various pipeline operation, environment and technology factors.

BP's comments concerning the draft language are summarized below. At the Commission's request, BP has also provided revised or "red-lined" copies of the proposed language in the documents attached to this communication.

- WAC 480-75-036 Maps Drawing and Records – Due to concerns on the part of industry and the general public surrounding facility security and availability of information, BP has provided revision to the draft language. Please keep in mind that information concerning pipelines is available to the WUTC during inspection, but would not necessarily be "provided" to the Commission as proposed. We would also appreciate further discussion on the safety benefit that would be derived from such changes and any differences from the WUTC draft language, and the requirements defined in 49 CFR 195.404.
- WAC 480-75-037 Reporting Requirements for Proposed Construction – BP would welcome further discussion on this issue. 49 CFR 195.1 "Applicability" provides guidance on the subject of notification for construction activities. We would also request further clarification of the draft language describing "major reconstruction (or reconditioning)". To help simplify the process of such information submission, BP offers the attached form (PS-48) as one possible method of providing such information, streamlining such processes and minimizing any burden on the Commission or the operator. Use of this type of tool would also address security concerns about making facility location and design public. As always, further more detailed information would be available for review during facility and records inspections performed by the WUTC and Office of Pipeline Safety.

- WAC 480-75-038 Pressure Testing Reporting Requirements – No specific comments are offered at this time. We would, however, welcome the opportunity to discuss and understand this proposed requirement.
- WAC 480-75-039 Incident Reporting – The Office of Pipeline Safety has recently issued new requirements for incident reporting. BP would propose that the WUTC use this new criteria for incident reporting. In our comments, we offer language that would include WUTC in the reporting of intrastate incidents using the new DOT Form 7000-1. This method of reporting would provide the WUTC with more in-depth information than is proposed in the draft language, and limit any confusion on the distribution of information in the reporting process.
- WAC 480-75-040 Depth of Cover – BP would welcome the opportunity to discuss this proposed requirement. We would like to better define and understand the term “subsoiling” and discuss the reasoning for the scope and rationale of the 5-year survey requirement.
- WAC 480-75-041 Annual Reports – BP would like to better understand how the inclusion of such reporting requirements would positively impact pipeline safety standards.
- WAC 480-75-042 Operations Safety Plan – As stated in the WUTC draft language, Operations Safety Plans are incorporated in existing plans required under 49 CFR 195.402. Because the information required by such a rule already exists in many forms, we would like to understand the safety related benefits that would be derived by the public, the operator or the commission through such administrative requirements. BP is also concerned that such redundancy would cause confusion and greatly impact our ability to comply with pipeline safety regulations. The information described in the proposed rule would, of course, remain available for review during routine WUTC or OPS inspection.

Pipelines designed and constructed to meet or exceed standards have a long life; however, the environment in which the pipeline resides may change over time due to natural or community actions. Ongoing pipeline integrity management programs, effective damage prevention programs, and proper community planning are necessary to maintain pipeline safety.

BP supports state participation in improving and enforcing federal pipeline regulations. We encourage WUTC to continue to support improvements to federal regulations that will protect people and protect the environment nation-wide. WUTC’s support of a comprehensive inspection and enforcement program would further enhance safe design and construction practices. Well-trained inspectors should continue to be a priority to ensure an effective inspection program.

We are committed to working with WUTC to ensure safe pipeline operations, through this rulemaking and other cooperative initiatives. As written language often requires clarification,

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BP would welcome the opportunity to discuss these and other comments to proposed rules at the WUTC's convenience

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Best regards,

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Enclosure - 10 copies