



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

Ref. No. Docket PL-090042

CERTIFIED MAIL

May 6, 2009

Frank J. Grolimund
Vice President, Operations
Swissport Fueling, Inc.
42025 Aviation Dr
Suite 350
Dulles, VA 20166

Dear Mr. Grolimund:

Re: 2009 Hazardous Liquid Standard Inspection – SeaTac Washington Terminal

We conducted a hazardous liquid inspection from April 7, 2009 to April 9, 2009 of Swissport Fueling, Inc. (Swissport) SeaTac Terminal. The inspection included a review of the Operations & Maintenance procedures manual, Drug & Alcohol-Misuse testing programs, documentation and inspection of the pipeline facilities.

Our inspection indicates 12 probable violations as noted in the enclosed report.

Your response needed

Please review the attached report and respond in writing by June 8, 2009. The response should include how and when you plan to bring the probable violations into full compliance.

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 81.88.040, or
- Institute a complaint, seeking monetary penalties, changes in the company's, practices, or other relief authorized by law, and justified by the circumstances, or
- Consider the matter resolved without further commission action.



Swissport Fueling, Inc.

Docket PL-090042

May 6, 2009

Page 2

We have not yet decided whether to pursue a complaint or penalty in this matter. Should an administrative law judge decide to pursue a complaint or penalty; your company will have an opportunity to present its position directly to the commissioners.

If you have any questions, or if we may be of any assistance, please contact Joe Subsits at (360) 664-1322. Please refer to Docket PL-090042 in any future correspondence regarding this inspection.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. F. Soiza', with a long horizontal flourish extending to the right. Below the signature, the word 'for' is written in a cursive script.

Anne F. Soiza
Pipeline Safety Director

cc. Nestor Soriano, Swissport QA/QC Coordinator
Michael Hagan, Swissport General Manager

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
2009 Hazardous Liquid Pipeline Safety Inspection
Swissport Fueling – SeaTac Terminal
Docket PL-090042

The following probable violation(s) of Title 49, CFR Part 195, 199 and WAC 480-75 were noted as a result of the inspection of the Swissport Fueling-SeaTac Terminal. The inspection included a random selection of records, operation and maintenance, emergency response, inventory and field inspection of the pipeline facilities.

PROBABLE VIOLATIONS

1. **49 CFR §195.214 Welding Procedures**

- (a) *Welding must be performed by a qualified welder in accordance with welding procedures qualified under Section 5 of API 1104 or Section IX of the ASME Boiler and Pressure Vessel Code, The quality of the test welds used to qualify the welding procedure shall be determined by destructive testing*
- (b) *Each welding procedure must be recorded in detail, including the results of the qualifying tests. This record must be retained and followed whenever the procedure is used.*

Finding(s):

Swissport did not have welding procedures.

2. **49 CFR §195.402 (c) Procedural Manual for Operations, Maintenance and Emergencies**

- (c) *The manual required must include procedures for the following to provide safety during maintenance and normal operations:*
 - (2) *Gathering of data needed for reporting accidents under subpart B of this part in a timely and effective manner.*
 - (3) *Operating, maintaining and repairing the pipeline in accordance with each of the requirements of this subpart and subpart H of this part.*

Finding(s):

A review of Swissport's Breakout Tank manual did not include procedures for the following:

- a. 49 CFR 195.49 requires that annual reports form RSPA F 7000-1.1 be completed and submitted.
- b. 49 CFR 195.50 requires accident reports for the conditions defined in sections (a) through (e).
- c. 49 CFR 195.54(a) requires the submission of accident reports but no later than thirty days after discovery.
- d. 49 CFR 195.54(b) requires the supplemental accident reports be submitted within 30 days when there are changes or additions to the thirty days accident report.
- e. 49 CFR 195.55 requires that safety related conditions be identified.
- f. 49 CFR 195.56(a) requires that certain safety related conditions be reported within the specified time frame.

- g. 49 CFR 195.56 (b) specifies if safety related conditions need to be filed and describes what needs to be in the safety related condition report.
- h. 49 CFR 195.222(a) requires that welders be qualified in accordance with section 6 of API 1104 or Section IX of ASME Boiler and Pressure Code.
- i. 49 CFR 195.222(b) states that welders may not weld a particular process unless within the preceding six months the welder has engaged in that welding process has had at least one weld tested and found acceptable under Section 9 of API 1104.
- j. 49 CFR 195.226(a) requires that all arc burns be repaired.
- k. 49 CFR 195.226(b) requires that arc burn notches be completely removed by grinding. (Note that this requires the use of a verification strategy such as the use of Ammonium Persulfate)
- l. 49 CFR 195.226(c) requires that ground wires not be welded to a pipe or fitting which is welded.
- m. 49 CFR 195.228(b) requires that weld be tested in accordance with section 9 of API 1104.
- n. 49 CFR 195.234 (b) requires that nondestructive testing of welds be performed in accordance with a written procedure, by qualified personnel and by a process that will indicate any defect that may affect the integrity of the weld.
- o. 49 CFR 195.266 requires that records of girth welds, number tested, number rejected, disposition of rejected welds be maintained.
- p. 49 CFR 195.230 requires that unacceptable welds be removed and/ or repaired.
- q. 49 CFR 302(a) requires that each pipeline segment that has been relocated, replaced or changed be pressure tested without leakage.
- r. 49 CFR 304 requires that pressure test be maintained for at least 4 continuous hours at pressures equal to 125% or more of the MOP. Additional hours of testing at 110% of MOP is required if the test is not visually inspected
- s. 49 CFR 195.305(a) requires that all attached fittings be pressure tested in accordance with 49 CFR 195.302.
- t. 49 CFR 195.305(b) addresses when component added to the pipeline system not be required to be pressure tested.
- u. 49 CFR 195.306 addresses the appropriate test medium.
- v. 49 CFR 195.308 addresses testing of tie-ins welds.
- w. 49 CFR 195.310 requires that the following hydrotest records be maintained: pressure recording charts, test instrument calibration data, name of operator, responsible party, test company, date and time of test, minimum test pressure, test medium, description of facility tested and the test apparatus, explanation of pressure discontinuities, and temperature.
- x. 49 CFR 195.402(c)(5) requires procedures for analyzing pipeline accidents to determine their causes.
- y. 49 CFR 195.402(c)(6) requires procedures for minimizing the potential for hazards and minimizing the possibility or recurrence.
- z. 49 CFR 195.402(c)(12) requires procedures for establishing and maintaining liaison with fire, police and other appropriate public officials to learn the responsibilities and resources for emergencies.

- aa. 49 CFR 195.402(c)(13) requires procedures to periodically review the work done by personnel to determine the effectiveness of procedures and taking corrective action where deficiencies are found.
- bb. 49 CFR 195.402(d)(5) requires procedures to periodically review the work done by personnel to determine the effectiveness of abnormal procedures and taking corrective action where deficiencies are found.
- cc. 49 CFR 195.402(f) requires that personnel be able to recognize and report safety related conditions.
- dd. 49 CFR 195.422(a) requires that pipe be repaired in a manner to insure that repairs are made in a safe manner and made to prevent damage to persons and property.
- ee. 49 CFR 195.422(b) requires that no pipe, valve, or fitting for replacement in repairing the pipeline may be used unless it is designed and constructed as required in 49 CFR 195.
- ff. 49 CFR 195.428(a) requires that the operator inspect and test each pressure limiting device, relief valve, pressure regulator or other items of pressure control to determine that it is functioning properly and is in good mechanical condition, has adequate capacity and is reliable.
- gg. 49 CFR 195.428(a) requires that overpressure devices must be inspected and tested at intervals not exceeding 15 months but at least once each calendar year.
- hh. 49 CFR 195.555 requires that supervisors maintain a thorough knowledge of that portion of the corrosion control procedures for which they are responsible for ensuring compliance.
- ii. 49 CFR 195.559 requires that coating material be designed to mitigate corrosion of buried pipelines, have sufficient adhesion to the metal surface to prevent under film migration of moisture, be sufficiently ductile to resist cracking, have enough strength to resist damage due to handling and soil stress, support any supplemental cathodic protection and provide high electrical resistance if the coating is an insulating type.
- jj. 49 CFR 195.661 requires that coatings be inspected prior to lowering pipe in ditch.
- kk. 49 CFR 195.561(b) requires that discovered coating damage be repaired.
- ll. 49 CFR 195.567 requires that cathodic protection test leads be properly installed and maintained.
- mm. 49 CFR 195.569 requires that exposed portions of buried pipelines be examined.
- nn. 49 CFR 195.571 requires that cathodic protection criteria meet the criteria established in paragraphs 6.2 and 6.3 of NACE Standard RP0169.
- oo. 49 CFR 195.573 requires annual pipe to soil monitoring of cathodic protection systems.
- pp. 49 CFR 195.573(d) requires that corrosion control on tank bottoms must be in accordance with API RP 651.
- qq. 49 CFR 195.401(b) requires that discovery of any condition that affects safe operation of the pipeline be corrected within a reasonable time.
- rr. 49 CFR 195.579(c) requires that whenever pipe is removed from service, the internal surface of the pipe must be inspected for evidence of corrosion as well as the adjacent pipe.

- ss. 49 CFR 195.581 requires that pipelines be protected against atmospheric corrosion using required coating materials.
- tt. 49 CFR 195.583 requires atmospheric corrosion monitoring every three years.
- uu. 49 CFR 195.589 requires that corrosion control records be maintained within the appropriate time frame.
- vv. 49 CFR 195.52 requires that certain releases be reported to the Federal government.

3. **49 CFR §195.440 Public Awareness**

- (a) *Each pipeline operator must develop and implement a written continuing public education program that follows the guidance provided in the American Petroleum Institute's Recommended Practice 1162.*

Finding(s):

There was no written continuing public education program as required.

4. **49 CFR §195.505 Qualification Program**

- Each operator shall have and follow a written qualification program. The program shall include provisions in 49 CFR 195.505.*

Finding(s):

Swissport has not developed a written operator qualification program.

5. **49 CFR §199.202 Alcohol Misuse Plan**

- Each operator must maintain and follow a written alcohol misuse plan that conforms to the requirements of this part and DOT Procedures concerning alcohol testing programs. The plan shall contain methods and procedures for compliance with all the requirements of this subpart, including required testing, recordkeeping, reporting, education and training elements.*

Finding(s):

A review of Swissport's Drug and Alcohol Testing Program revealed three missing items. The items are:

- a. 49 CFR 40.333 requires that information obtained from previous employers concerning drug and alcohol test results of employees need to be kept for a minimum of three years.
- b. 49 CFR 40 Appendix H requires that missed test information be collected and maintained.
- c. 49 CFR 199.243(a) requires that the plan contain names, addresses and phone numbers of substance Abuse Professionals, counselors, treatment programs and third party provider networks.

6. **49 CFR §199.101 (a)(1) Anti-Drug Plan**

- (a) *Each operator shall maintain and follow a written anti-anti-drug plan that conforms to the requirements of this part and the DOT Procedures. The plan must contain-*

- (1) *Methods and procedures for compliance with all the requirements of this part, including the employee assistance program.*

Finding(s):

A review of Swissport's Drug and Alcohol Testing Program revealed missing items. These are:

- a. 49 CFR 199.101(a)(3) requires that the name/address of the operator's medical review officer and substance abuse professional be identified in the plan.
- b. 49 CFR 199.101(a)(4) requires procedures for notifying employees of the coverage and provisions of the plan.
- c. 49 CFR 199.105(d) requires that each employee who performs a covered function, and who is reasonably suspected of using prohibited drugs, is tested for the presence of drugs in accordance with the regulations.
- d. 49 CFR 199.117(b) requires that procedures prohibit the release of the individuals drug test results or rehabilitation except as part of an accident investigation.

7. **WAC 480-75-420(5) Hydrostatic Test Requirements**

The following minimum requirements apply to a pipeline company when it conducts a hydrostatic test of a new or existing pipeline:

- (5) *The pipeline company must maintain documents identifying how each hydrostatic test was conducted...*

Finding(s):

Swissport's Breakout Tank Manual does not address the requirement for documenting and maintaining the following hydrotest records: signature of certifying agent; beginning and ending time of test; highest and lowest pressure achieved.

8. **WAC 480-75-440 Pipeline Repairs**

Each pipeline company must make pipeline repairs in accordance with ASME B31.4 "Pipeline Transportation Systems for Liquid Hydrocarbons and Other Liquids."

Information about the ASME edition adopted and where to obtain it are set out in WAC 480-75-999, Adoption by reference.

Finding(s):

Swissport's Breakout Tank Manual does not address the requirement that repairs be made in accordance with ASME B31.4.

9. **WAC 480-75-510 Remedial Action for Corrosion Deficiencies**

Pipeline companies must initiate remedial action as necessary to correct any deficiency observed during corrosion monitoring, within ninety days after the pipeline company detects the deficiency.

Finding(s):

Swissport's Breakout Tank Manual does not address the requirement for remediation of corrosion system deficiencies within ninety days of discovery.

10. **WAC 480-75-520 Inspections During Excavation**

Whenever a pipe is exposed for any reason, the pipeline company must examine the pipe for evidence of mechanical damage or external corrosion, including inspecting the coating for evidence of damage...

The pipeline company must also inspect the pipeline prior to and during the backfilling of the exposed section.

Finding(s):

Swissport's Breakout Tank Manual does not address the requirement for examining pipe prior to backfilling.

11. **WAC 480-75-630 Incident Reporting**

(1) *Each pipeline company must give telephonic notice to the commission within two hours of discovery of an incident involving that company's pipeline...*

(2) *Each pipeline company that has an incident described in subsection (1) of this section shall send a written report to the commission within thirty calendar days of the incident.*

(3) *A pipeline company must give the commission telephonic notification within twenty-four hours of emergency situations including emergency shutdowns, material defects, or physical damage that impairs the serviceability of the pipeline.*

Finding(s):

Swissport's Breakout Tank Manual does not address the requirement for reporting incidents to the commission within the required timeframes noted below.

- a. That incident's be reported to the commission within two hours of discovery.
- b. Specifies the state incident reporting criteria
- c. Submittal of written incident reports to the commission within thirty days of an incident
- d. Requiring notification to the commission within twenty-four hours of an emergency shutdown, material defect or physical damage that impairs serviceability.

12. **WAC 480-75-660 Procedural Manual for Operations, Maintenance, and Emergencies**

(1) *Each pipeline company must prepare and follow a procedural manual that includes the following:*

b) *Procedures for responding to earthquakes, including a threshold for line shutoff, and procedures for integrity monitoring prior to restart...*

Finding(s):

Swissport's Breakout Tank Manual does not address the requirement for responding to earthquakes.