



STATE OF WASHINGTON

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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Ref. No. Docket PL-100014

CERTIFIED MAIL

June 14, 2010

Steve Maulding
President
Olympic Pipe Line Company
2201 Lind Avenue SW, Suite # 270
Renton, Washington 98055

Dear Mr. Maulding:

RE: 2010 Hazardous Liquid Pipeline Safety Inspection – Intrastate Laterals

We conducted a hazardous liquid pipeline safety inspection of the intrastate laterals of BP Olympic Pipeline system from May 17 through May 21, 2010. The inspection included a records review and field inspection of the pipeline facilities.


Our inspection indicates two areas of concern, as noted in the enclosed report which unless corrected, could potentially lead to future violations of state and/or federal pipeline safety rules.

Your response needed

Please review the attached report and respond in writing by July 16, 2010. The response should include how and when you plan to address the areas of concern. As we have done in the past, we welcome the opportunity for a meeting to discuss your response to our findings.

If you have any questions, or if we may be of any assistance, please contact Kuang Chu at (360) 664-1182. Please refer to docket number PL-100014 in any future correspondence regarding this inspection.

Sincerely,


David D. Lykken
Pipeline Safety Director

Enclosure

cc: David Knoelke, Compliance Coordinator, Olympic Pipeline Company



WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
2010 Hazardous Liquid Pipeline Safety Standard Inspection Report
BP Olympic Pipeline Intrastate Laterals
Docket No. PL-100014

AREAS OF CONCERN

The following Areas of Concern were noted as a result of the 2010 pipeline safety inspection of BP Olympic Pipeline intrastate laterals. The inspection included a review of the records and field inspection of the pipeline facilities.

1. **49 CFR Part 195.567 Which pipelines must have test leads and what must I do to install and maintain the leads?**

- (c) *Maintenance. You must maintain the test lead wires in a condition that enables you to obtain electrical measurements to determine whether cathodic protection complies with §195.571.*

Finding(s):

The test leads at the following two cathodic protection test stations for the 12" SeaTac lateral need to be repaired:

- (a) Mile Post 1 (MP 1) mainline block valve site north of the Green River, test station TP JAC BOX (adjacent to Jack in the Box restaurant).
- (b) Pipeline crossing under the I-5 Freeway (test leads for both carrier pipe and casing).

2. **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):

- (a) During the field inspection of the Vancouver lateral, the pipe-to-soil potential reading was -0.840 volts at the test station where the pipeline crosses under the Lower River Road outside of the Port of Vancouver gate. The inadequate cathodic protection was most likely caused the adjustment of the rectifier at the Vancouver junction (rectifier #357) on May 11, 2010, about a week before the field inspection. The rectifier needs to be adjusted again to ensure code compliance of minimum -0.850 volts with rectifier on and with consideration of IR drop.
- (b) The 6" Olympia lateral was taken out of service in April 2009 and the pipeline has been idled with approximately 15 psig of nitrogen in the line and with cathodic protection provided. In April 2010, a section of about 500 feet of pipe was removed at approximately 2.5 miles from the end of the pipeline to accommodate a new housing development. This 2.5-mile long pipeline section has not been provided with cathodic protection ever since it was disconnected

from the rest of the pipeline. A cathodic protection system must be provided for the 2.5-mile long pipeline section within 90 days after it was disconnected from the rest of the pipeline. It is to be noted that UTC staff was advised during the exit interview that a work order had already been issued to initiate a remedial action.