



STATE OF WASHINGTON

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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(360) 664-1160 • TTY (360) 586-8203

Ref. No. Docket PL-110008

CERTIFIED MAIL

August 23, 2011

Dennis McVicker
President
Tidewater Terminal Company
P.O. Box 1210
6305 NW Old Lower River Rd
Vancouver, WA 98660

Dear Mr. McVicker:

RE: 2011 Standard Hazardous Liquid Inspection – Tidewater Snake River Terminal

We conducted a standard inspection from July 13-15, 2011 of the Tidewater - Snake River Terminal's pipeline system in Pasco, Washington. The inspection included a records review and inspection of the pipeline and break out tank facilities.

Our inspection indicates ten probable violations as noted in the enclosed report. We also noted one area of concern, which unless corrected, could potentially lead to future violation of state and/or federal pipeline safety rules.

Your response needed

Please review the attached report and respond in writing by September 23, 2011. 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.



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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-110008 in any future correspondence regarding this inspection.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Lykken', with a long horizontal flourish extending to the right.

David D. Lykken
Pipeline Safety Director

cc. Pat Jensen , General Manager

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
2011 Intrastate Hazardous Liquid Standard Inspection Report
Tidewater Terminal Inspection
Docket No. PL-110008

Probable Violations

The following probable violations of Title 49, CFR Part 195 and WAC 480-75 were noted as a result of the inspection of the Tidewater – Snake River Terminal pipeline and break-out tanks in Pasco, WA. The inspection included a random selection of records, operation and maintenance (O&M), emergency response and field inspection of the pipeline facilities.

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 if any system modifications have occurred. If no modifications have occurred since the last complete submission (including 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.

Finding(s):

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.

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.

Finding(s):

No records were available to demonstrate breakout tank piping welds were inspected by a qualified welding inspector.

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).*

Finding(s):

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.

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.*

Finding(s):

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.

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.*

Finding(s):

The operator could not provide records that demonstrated that they periodically reviewed personnel work to determine the effectiveness of normal O&M procedures.

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 7½ 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.*

Finding(s):

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.

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.*

Finding(s):

The operator could not locate or provide records that demonstrated they reviewed their program for effectiveness within the required time frame.

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.*

Finding(s):

The operator could not provide records demonstrating they inspect and document all removed pipe for internal corrosion.

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:*

<i>If the pipeline is located:</i>	<i>Then the frequency of inspection is:</i>
<i>Onshore.....</i>	<i>At least once every 3 calendar years, but with intervals not exceeding 39 months.</i>

Finding(s):

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.

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;*

Finding(s):

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.

Areas of Concern

The following areas of concern of Title 49, CFR Part 195 and WAC 480-75 were noted as a result of the inspection of the Tidewater Terminal pipeline and break-out tanks in Pasco, WA. These items, if left uncorrected, could potentially lead to future probable violations.

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 disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.*

Finding(s):

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.