

POST INSPECTION MEMORANDUM

Inspector: Al Jones/UTC
Reviewed: Joe Subsits/UTC - 11/7/2011
Peer Reviewed: _____
Follow-Up Enforcement: No Violation
PCP* PCO* NOA WL LOC
Director Approval* _____

Date: November 3, 2011

Operator Inspected: Trans Mountain Pipeline (Puget Sound) LLC
OPID: 19585
Region: Western

Unit Address:
Laurel Station
1009 East Smith Road
Bellingham, WA 98226

Unit Inspected: Trans Mountain Oil Pipeline
Unit ID: 285
Unit Type: Interstate Hazardous Liquid
Inspection Type: UTC IMP Verification Inspection
Record Location: Laurel Station
Inspection Dates: September 19-22, 2011
AFOD: 4
SMART Activity Number:

Operator Contact: Patrick Davis
Phone: (360) 398-1541 **Fax:** (360) 398-7432 **Emergency:** 1-888-876-6711

Unit Description:

The Kinder Morgan Canada (KMC) Inc. pipeline located in Washington is commonly known as Trans Mountain Pipeline (Puget Sound System) and consists of about 63.2 miles of pipeline.

The Puget Sound System provides crude oil to the following locations:

- ✓ 15.3 miles of 20-inch pipeline from the Canada / U.S. border to Laurel Pump Station in Bellingham, WA.,
- ✓ 11.6 miles of 16-inch pipeline from the Laurel Station west to the Ferndale Station,
- ✓ 27.6 miles of 20-inch pipeline from the Laurel Station south to Burlington Station, and
- ✓ 9.0 miles of 16-inch pipeline from Burlington Station west to Anacortes Meter Station.

Facilities Inspected:

The Integrity Management Inspection included record review at the Laurel Station, field inspection of the Laurel Pump Station, Anacortes Meter Station including an exposed pipe section for removal of an existing casing (see photo "A" below) before the placement of a new

ductile iron water main is placed below the existing KMC's oil line, and field inspection of the right-of-way where the line was lowered in several locations because of farming activities and two locations where above ground pipe cross creeks near Lake Samish.

Persons Interviewed:

Patrick Davis, Supervisor

Terry DeLong, Manager, Integrity Programs and Risk Engineering

Probable Violations/Concerns:

None.

Follow up on the history of prior offenses that are still open:

Prior Offenses (for the past 5 years)		
CPF #	What type of open enforcement action(s)?	Status of the regulations(s) violated (Reoccurrence Offenses, Implement a NOA Revision, Completion of PCO or CO, and etc...)

Recommendations:

Maintain the regular inspection schedule.

Comments:

An in-line inspection is scheduled in 2012 for the Puget Sound System using a MFL tool. The 11.6 mile long 16-inch line from Laurel Station to Ferndale Station is single submerged arc weld pipe. This segment of the pipeline will be inspected by a TFI tool in 2012 and should address staff's concerns about the integrity of the long seam from previous inspections.

Attachments:

- PHMSA Form 19 – Liquid IMP Field Verification
- Form I – UTC IMP Verification Form
- Map of KMC's Puget Sound System

Version Date: 5/5/08

Photo "A"



September 21, 2011

Location: Kinder Morgan Anacortes Gate Station.

Subject: Removal of pipe casing at road crossing between KMC Station and Shell storage tanks. A new water main will cross under the existing oil line after the casing is removed.

Photo taken by Al Jones / UTC