

Exhibit No. \_\_\_\_\_ (DMC-9)  
Docket No. TO-011472  
Witness: Dan Cummings

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Washington Utilities and	)	DOCKET NO. TO-011472
Transportation Commission,	)	
	)	
Complainant,	)	
	)	
v.	)	
	)	
Olympic Pipe Line Company, Inc.	)	
	)	
Respondent.	)	

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EXHIBIT TO  
REBUTTAL TESTIMONY OF  
DAN CUMMINGS  
  
OLYMPIC PIPE LINE COMPANY

June 11, 2002

Testimony Of  
Marilyn Showalter, Chairwoman  
Washington Utilities and Transportation Commission  
Before The  
United States Senate Committee on Commerce, Science, and Transportation  
Bellingham, Washington  
March 13, 2000

Thank you Senator Gorton and distinguished members of the Committee for inviting me to testify on the vital issue of pipeline safety. The tragedy in Bellingham has served to focus attention on the need to ensure that pipeline safety laws and practices are the most effective they can be.

Since I was appointed to the Commission just over one-year ago, I have made pipeline safety one of our highest priorities. As a former deputy prosecuting attorney I believe that having strong laws on the books means little if they are not enforced. This certainly is true in the case of pipeline safety. The strongest rules will not be effective unless our enforcement efforts are thorough and consistent.

Today I will provide you with some background on the Commission's pipeline safety program, discuss our efforts over the past year to improve pipeline safety, and speak to several specific initiatives that are forthcoming.

I have provided the committee with a detailed description of our safety program. Let me highlight some important facts. The Commission is certified by the federal Office of Pipeline Safety (OPS) to adopt safety regulations for and inspect intrastate natural gas and hazardous liquid pipelines. Under that authority, we inspect nearly 17,000 miles of natural gas mains and nearly 250 miles of natural gas transmission pipelines. We do not inspect interstate natural gas transmission lines, which amount to slightly over 1732 miles in Washington State. For hazardous liquids, we inspect slightly over 83 miles of pipelines but do not have authority to inspect the 777 miles of interstate hazardous liquid pipelines located within Washington State. In both cases, the interstate pipelines are under the jurisdiction of OPS.

Our program consists of six full-time pipeline safety engineers, an increase of two since I came to the Commission. These inspectors have over 80 combined years of pipeline safety experience. Our inspectors spend almost 500 days in the field inspecting pipelines and providing technical assistance to operators. The program costs over \$700,000 annually to operate, of which OPS pays 44 percent under the certification program.

In addition to inspecting pipelines, we also set safety standards for intrastate facilities. These state requirements are more stringent than the federal guidelines for natural gas companies. In 1998, our state legislature granted the Commission authority to inspect intrastate hazardous liquid pipelines. We adopted the current federal rules as our initial state standard. During this year, the Commission will review these rules and adopt additional requirements if needed.

During the last year, we have also been active in a number of broad efforts to improve pipeline safety. Foremost among these, by March we expect to complete a comprehensive joint review and inspection of all interstate pipelines in the state with OPS. Our pipeline safety engineers have been in the field with OPS inspectors conducting physical tests of leak detection systems, corrosion control, and other vital safety factors. This joint program has given our pipeline safety engineers detailed first-hand knowledge of the interstate facilities located within Washington.

In addition was appointed by the Secretary of the United States Department of Transportation to the national Office of Pipeline Safety Technical Oversight Committee. Our policy director was a member of the Governor's Fuel Accident Prevention and Response Team. We also have worked closely with the Governor's office, the legislature, and other agencies on pipeline safety legislation.

The aim of all of these efforts is to improve pipeline safety. Our commitment to this goal is substantial and increasing. We will be active agents in seeking to implement the Governor's recommendations for improved pipeline safety, and in ensuring that the laws are enforced.

The review process that followed the Bellingham accident identified a number of steps that can be taken to further improve pipeline safety. Some of these can be accomplished under current authority and funding, others will require legal changes and additional resources.

As I mentioned earlier, we are currently reviewing our pipeline safety rules for both natural gas and hazardous liquids to make sure they are sufficient. As part of this review we plan to require that operational safety plans be submitted to the Commission. This will help ensure that pipeline operators are translating the requirements of the rules into daily operating practice.

We will increase our efforts to prevent third-party damage to pipelines. Third-party damage, primarily through excavation, is by far the largest cause of pipeline leaks and failures. In fact, for the years 1992 through 1998, third-party damage caused more pipeline leaks and failures than all other causes combined. We are working with industry and other government agencies to develop educational and promotional materials aimed at preventing third-party damage. We have also been active in efforts to establish a single, statewide "one-call" system for pipeline locator services, and to increase penalties for third-party damage. We want to make industry and the public more aware to the problem of third-party damage, to make it easier to locate pipelines, and to better enforce requirements to use locator services. Finally, we have been strong advocates for "one-call" centers to adopt minimum operating standards and "best practices," designed to improve consistence and quality.

We are seeking funding for a mapping program that will make it easier for emergency response personnel to respond to pipeline incidents. A funding plan will be completed this year, with the aim of having a mapping system complete by the end of 2005.

Finally, we are working with our congressional delegation to seek changes in federal law to ensure that state and federal pipeline safety efforts support each other and allow more frequent and thorough inspections.

I appreciate the opportunity to testify before you today, and to underscore our commitment to improved pipeline safety.