

Exhibit No. _____ (DMC-10)
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.)	

EXHIBIT TO
REBUTTAL TESTIMONY OF
DAN CUMMINGS

OLYMPIC PIPE LINE COMPANY

June 11, 2002

Deposition of Kenneth L. Elgin by counsel for Olympic Pipe Line:

- Q. In 1965 -- well, let me step back and set a predicate. Do you know the areas through which Olympic's pipeline travels in Washington state?
- A. Yes.
- Q. And between 1965 and now, have those areas become built up, increasingly populated?
- A. That would be a fair characterization.
- Q. The pipeline now goes through more heavily populated areas now than it did in 1965; is that fair to say?
- A. Yes.
- Q. And do you know whether there are any regulations at the federal level that impose higher operating costs because a pipeline goes through a heavily populated area?
- A. I'm not familiar. I can't answer that.
- Q. Are you familiar with the term high consequence areas?
- A. No, I am not.
- Q. Never heard of it before?
- A. I've heard it used before. What it specific -- the specifics of it, I don't know what it means precisely. I've heard the term used.
- Q. Do you know whether there's any federal law or state law regarding high consequence areas, or is this just something you're not familiar with?
- A. I would presume there is, but I'm not familiar with it. My testimony is I've heard the term used. What it means specifically, I don't know.
- ...
- Q. Focused on Mr. Kilpatrick, do you have any recollection of what he said to you about federal oil pipeline safety regulations?
- A. No.
- Q. Apart from him, do you have the name of anybody else who's talked to you about federal oil pipeline safety regulations?
- A. No.

- Q. And do you know whether these federal oil pipeline safety regulations apply to all major pipelines in the United States?
- A. No.
- Q. So it's your recollection that they just applied to Olympic?
- A. No, I -- you asked me if -- I understood your question as do I have any knowledge of them, and I don't. I would presume they apply to all. I have no knowledge of this issue.
- ...
- Q. Do you know whether the state has any regulations now affecting the costs of oil pipeline operations?
- A. I don't know the status of that rulemaking.
- Q. So you don't know whether the state has a rule or doesn't have a rule on pipelines?
- A. On the -- the enforcement of the regulations and the safety regulations, I don't know the status of those.
- Q. Let me be clear. Do you even know whether the state has any rules on oil pipeline safety or not?
- A. Yes, the state has rules.
- Q. Okay. Do you know whether those rules have been implemented or not?
- A. Well, if they have rules, they've been implemented.
- Q. Do you have any idea what any of those rules are about?
- A. They're about pipeline safety.
- Q. But can you give any specifics about any of those rules?
- A. Oh --
- Q. Let me first ask, have you read any of those rules?
- A. No, I have not.
- Q. Okay.
- A. There would be no need for me to.
- Q. Okay. And you've read none of the federal rules?
- A. That's correct.
- ...
- Q. Of the rules that are now in effect, and so there's no question that they'll be in effect during the rate year, have you talked to anybody or have any knowledge

yourself about the cost of those federal or state rules on oil pipeline safety on Olympic?

- A. No.
- Q. Now, do you know whether there are pending rules that either are or are very likely to go into effect in the rate year that affect the cost of Olympic's business?
- A. My understanding is there is a rulemaking docket open, and I have -- but my -- I've had no conversations with anybody about the cost of those and how they affect Olympic.

Deposition of Kenneth L. Elgin, June 5, 2002, at 49-58.

Deposition of Robert G. Colbo by counsel for Olympic Pipe Line:

- Q. Did the people, when you talked to Mr. Kilpatrick or Ms. West, tell you what the likely costs are going to be of new state regulations on pipelines?
- A. With respect to safety?
- Q. Yes.
- A. The only thing I know is what was mentioned earlier this morning.
- Q. But did you ask specifically of the Staff in the Safety Division whether there were going to be costs that would be incurred this year, next year, the year following, due to the new safety regulations in the state?
- ...
- A. I did not.
- Q. Did you ask anybody about the cost impact of the federal regulations on pipeline safety?
- A. No.
- Q. Are you aware that there are new federal regulations on pipeline safety that have gone into effect and are in effect and will be in effect in the rate year?
- A. No.
- Q. Are you familiar with the integrity management requirements of federal regulations?
- A. Would you repeat that, please?

- Q. Let me ask it a different way. Have you read the federal regulations that are now in effect that were made an exhibit to Mr. Batch's testimony?
- A. No.
- Q. Do you know anybody on Staff who has read those regulations?
- A. Well, not specifically. And if it was part of Mr. Batch's testimony, then I may even have read them, but I don't recall reading them.

Deposition of Robert G. Colbo, June 5, 2002, at 58-60.