Utilities and Transportation Commission
Standard Inspection Report for Intrastate Hazardous Liquid Systems
Records Review and Field Inspection

S – Satisfactory U – Unsatisfactory N/A – Not Applicable N/C – Not Checked
If an item is marked U, N/A, or N/C, an explanation must be included in this report.

A completed **Inspection Checklist, Cover Letter and Field Report, and OQ Field Validation Form** are to be submitted to the Senior Engineer within **30 days** from completion of the inspection.

Inspection Report			
Docket Number	PL-070131		
Inspector/Submit Date	J. Subsits January 3, 2008		
Sr. Eng Review/Date	D. Lykken 1/4/2008		
Operator Information			
Name of Operator:	Agrium U.S. Inc	**OPID #:**	672
Name of Unit(s):	Agrium U.S. Inc.		
Records Location:	Kennewick		
Date(s) of Last Review:	4/5/05-4/8/05	**Inspection Date**	December 17, 2007-December 20, 2007

Inspection Summary:

An inspection was conducted of the Agrium Ammonia Pipeline. A drug and Alcohol inspection was also done. Three additions will be required on the Anti-drug plan. The line to the Hedges facility is currently abandoned, the line is cut and purged. The line from the Finley facility is currently used. Several probable violations were noted. These are:

1. No annual review of O&M Manual done
2. Periodic review of operator work to determine effectiveness of the Manual was not done
3. No evidence that supervisors were knowledgeable of the emergency procedures they are responsible for
4. No pump discharge records
5. No evidence that supervisors maintained a thorough knowledge of appropriate corrosion control procedures
6. No evidence that atmospheric corrosion monitoring was done
7. No leak detection alarm records maintained by operator
8. Covered tasks were not defined for maintenance tasks
9. Maintenance personnel were not properly qualified to perform maintenance tasks

HQ Address:		**System/Unit Address:**	
13131 Lake Fraser Drive S.E. Calgary, Alberta T2J7E8		PO Box 5797 227515 Bowles Road Kennewick, WA 99337	
Co. Official:	Stephen Dyer, Vice President	**Co. Official:**	Don Larue
Phone No.:	403-225-7491	**Phone No.:**	(509) 586-5500
Fax No.:	403-225-7616	**Fax No.:**	(509) 586-5440
Emergency Phone No.:		**Emergency Phone No.:**	(509) 586-5500

Persons Interviewed	Title	Phone No.
Carter Hope	Sr. Project Engineer	(509) 586-5456
Fred Miller	Engineering Supervisor	(509) 586-5440
Steve Laird	Training	(509) 586-5456

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UTC staff conducted abbreviated procedures inspection on 195 O&M and WAC items that changed since the last inspection. This checklist focuses on Records and Field items per a routine standard inspection.

(check one below and enter appropriate date)

Team inspection was performed (Within the past five years.) or,	Date:	
Other UTC Inspector reviewed the O & M Manual (Since the last yearly review of the manual by the operator.)	Date:	12/17/2007

RECORDS REVIEW		S	U	N/A	N/C
CONVERSION TO SERVICE					
195.5(a)(2)	All aboveground segments of the pipeline, and appropriately selected underground segments must be visually inspected for physical defects and operating conditions which reasonably could be expected to impair the strength or tightness of the pipeline.			x	
195..5(c)	Pipeline Records (Life of System)			x	
	Pipeline Investigations			x	
	Pipeline Testing			x	
	Pipeline Repairs			x	
	Pipeline Replacements			x	
	Pipeline Alterations			x	
REPORTING					
195.49	Annual Report (DOT form RSPA F7000-1.1(Beginning no later than June 15, 2005)	x			
195.52	Telephonic Reports to NRC (800-424-8802)			x	
195.54(a)	Written Accident Reports (DOT Form 7000-1)			x	
195.54 (b)	Supplemental Accident Reports (DOT Form 7000-1)			x	
195.56	Safety Related Conditions			x	
195.57	Offshore Pipeline Condition Reports			x	
480-75-610	Report construction for new pipelines (>100 feet) new pipe 45 days prior to new construction			x	
480-75-620	Was MOP changed based on hydrotest? Report submitted?			x	
480-75-630(3)	24 hour notification for emergency shutdown, material defects or damage that impact service ability			x	
195.59	Abandoned Underwater Facility Reports			x	
CONSTRUCTION					
195.120	Passage of internal inspection devices. (See exceptions under .120(b) and (c))			x	
195.204	Construction Inspector Training/Qualification			x	
195.214(b)	Test Results to Qualify Welding Procedures			x	
195.222	Welder Qualification			x	
195.234(b)	Nondestructive Technician Qualification			x	
195.589	Cathodic Protection			x	
195.266	Construction Records			x	

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RECORDS REVIEW		S	U	N/A	N/C
195.266(a)	Total Number of Girth Welds			x	
	Number of Welds Inspected by NDT			x	
	Number of Welds Rejected			x	
	Disposition of each Weld Rejected			x	
195.266(b)	Amount, Location, Cover of each Size of Pipe Installed			x	
195.266(c)	Location of each Crossing with another Pipeline			x	
195.266(d)	Location of each buried Utility Crossing			x	
195.266(e)	Location of Overhead Crossings			x	
195.266(f)	Location of each Valve and Test Station			x	
PRESSURE TESTING					
195.310	Pipeline Test Record			x	
195.305(b)	Manufacturer Testing of Components			x	
195.308	Records of Pre-tested Pipe			x	
OPERATION & MAINTENANCE					
195.402(a)	Annual Review of O&M Manual **(1 per yr/15 months)**		x		
195.402(c)(4)	Determination of Areas requiring immediate response for Failures or Malfunctions			x	
195.402(c)(10)	Abandonment of Facilities	x			
195.402(c)(12)	Establishment/Maintaining liaison with Fire, Police, and other Public Officials	x			
195.402(c)(13)	Periodic review of personnel work – effectiveness of normal O&M procedures		x		
195.402(d)(1)	Response to Abnormal Pipeline Operations			x	
195.402(d)(5)	Periodic review of personnel work – effectiveness of abnormal operation procedures			x	
195.402(e)(1)	Notices which require immediate response			x	
195.402(e)(7)	Notifications to Fire, Police, and other Public Officials of an Emergency			x	
195.402(e)(9)	Post Accident Reviews			x	
195.403(a)	Emergency Response Personnel Training Program	x			
195.403(b)	Review of Personnel Perform., Emergency Response Program Changes **(1 per yr/15 months)**	x			
195.403(c)	Verification of Supervisor Knowledge - Emergency Response Procedures		x		
195.404(a)(1)	Maps or Records of Pipeline System	x			
195.404(a)(2)	Maps/Records of Crossings of Roads, Railroads, Rivers, Utilities and Pipelines	x			
195.404(a)(3)	MOP of each Pipeline	x			
195.404(a)(4)	Pipeline Specifications			x	
195.404(b)(1)	Pump Station Daily Discharge Pressure (maintain for at least 3yrs)		x		
195.404(b)(2)	Abnormal Operations (§195.402) (maintain for at least 3yrs)			x	
195.404(c)(1)	Pipe Repairs (maintain for useful pipe life)			x	
195.404(c)(2)	Repairs to Parts of the System other than pipe (maintain for at least 1 yr)			x	

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RECORDS REVIEW		S	U	N/A	N/C
195.404(c)(3)	Required inspection and test records (maintain 2 yrs or next test/inspection)	x			
195.406(a)	Establishing the MOP	x			
480-75-620	Was MOP changed based on hydrotest?			x	
195.408(b)(2)	Filing and disposition of notices of abnormal or emergency conditions.			x	
195.412(a)	Inspection of the ROW	x			
195.412(b)	Inspection of Underwater Crossings of Navigable Waterways			x	
480-75-640	Depth of cover survey			x	
195.413(b)	Gulf of Mexico/inlets: Periodic underwater inspections based on the identified risk			x	
195.420(b)	Inspection of Mainline Valves	x			
480-75-500	Pipe movement study per API 1117			x	
195.428(a)	Insp. of Overpress. Safety Devices (**1 per yr/15 months** non-HVL; **2 per yr/7½ months** HVL)	x			
195.428(b)	Inspection of Relief Devices on HVL Tanks (intervals NTE **5 yrs**).	x			
195.428(d)	Inspection of Overfill Systems (**1 per yr/15 months** non-HVL; **2 per yr/7½ months** HVL)			x	
480-75-300 (3)	Leak detection and alarm records		x		
480-75-408	SCADA operating, maintenance, testing records	x			
195.430	Inspection of Fire Fighting Equipment			x	
195.432	Inspection of Breakout Tanks (**1 per yr/15 months** or per **API 510 or 653**).			x	
195.440	Public Education/Awareness Program	x			
480-75-320	Surge analysis done	x			
DAMAGE PREVENTION PROGRAM					
195.442(c)(1)	List of Current Excavators	x			
195.442(c)(2)	Notification of Public/Excavators	x			
195.442(c)(3)	Notifications of planned excavations. (One -Call Records)	x			
RCW 19.122	Member of One-Call	x			
CORROSION CONTROL					
195.555	Supervisors maintain thorough knowledge of corrosion procedures.		x		
195.589(c)/.567	Test Lead Maintenance, frequent enough intervals	x			
480-75-510	Corrosion remediation within 90 days	x			
195.589(c)/.569	Inspection of Exposed Buried Pipelines (External Corrosion)	x			
195.589(c)/.573(a)(1)	External Corrosion Control, Protected Pipelines Annual CP tests (**1 per yr/15 months**)	x			
195.589(c)/.573(a)(2)	Close Interval surveys (meeting the circumstances determined by the operator)			x	
195.589(c)/.573(b)	External Corrosion Control, Unprotected Pipeline Surveys, CP active corrosion areas (**1 per 3 cal yr/39 months**)			x	
195.589(c)/.573(c)	Interference Bonds, reverse current switches, diodes, rectifiers			x	
195.589(c)/.573(d)	External Corrosion Control - Bottom of Breakout Tanks			x	

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	RECORDS REVIEW	S	U	N/A	N/C
195.589(c)/.573(e)	Corrective actions as required by .401(b) and, if IMP pipeline, 195.452(h).	x			
195.589(c)/.575	Electrical isolation inspection and testing	x			
195.589(c)/.577	Testing for Interference Currents	x			
195.589(c)/.579(a)	Corrosive effect investigation	x			
195.589(c)/.579(b)	Examination of Coupons/Other Types of Internal Corrosion Monitoring Equipment **(2 per yr/7½ months)**			x	
195.589(c)/.579(c)	Inspection of Removed Pipe for Internal Corrosion			x	
195.589(c)/.583(a)	Atmos. Corr. Monitoring **(1 per 3 cal yr/39 months onshore; 1 per yr/15 months offshore)**		x		
195.589(c)/.585(a)	General Corrosion – Reduce MOP or repair ; ASME B31G or RSTRENG	x			
195.589(c)/.585(b)	Localized Corrosion Pitting – replace, repair, reduce MOP			x	
195.589(a)&(b)	Cathodic Protection (Maps showing anode location, test stations, CP systems, protected pipelines, etc.)	x			

Documentation Reviewed:

Document Title	Document Number	Revision Date	Date Range Reviewed	Pct of Data Reviewed
Annual Report			2006,2007	100
Pipeline Surviellance report			2007	100
Public mail out			2006	100
Ultrasonic inspection report			2007	50
Pipeline patrolling records			2006,2007	100
Cathodic Bridge rectifier report			2006,2007	100
Valve inspection report				100
MOP calculation				100
CP Map				100
Relief valve inspection report			2007	100
Cathodic Protection testing report			2006. 2007	100

Comments:
No conversion of service pipe in system, No new construction performed at facility in last two years, no incidents, safety related conditions or abnormal operations in past two years, no pipe repairs in past two years though coating repair has been done, System was constructed prior to 1970 so depth of cover survey is not required, no breakout tanks in system, conditions when close interval surveys are required needs to be identified in procedures, all pipe is coated and protected, no interference bonds in system, No coupons in system, pipe had not be cut for internal examination during the past two years.

No annual review of O&M Manual performed, No evidence of periodic review of personnel work or review of emergency procedures, No evidence that supervisor knowledge of emergency response procedures has been done, no discharge pressures from pump station documented. Leak detection alarms were not documented.. No process or procedure for ensuring that supervisors maintain thorough knowledge of corrosion procedures, No atmospheric corrosion monitoring records.

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	FIELD REVIEW	S	U	N/A	N/C
195.120	Passage of internal inspection devices. (See exceptions under (b) and (c))			x	
195.262	Pumping Stations			x	
195.262	Station Safety Devices			x	
195.308	Pre-pressure Testing Pipe - Marking and Inventory			x	
195.403	Supervisor Knowledge of Emergency Response Procedures			x	
195.410	Right-of-Way Markers	x			
480-75-540	Markers at exposed areas	x			
195.412	ROW/Crossing Under Navigable Waters			x	
195.420	Valve Maintenance	x			
195.420	Valve Protection from Unauthorized Operation and Vandalism	x			
195.426	Scraper and Sphere Facilities and Launchers			x	
195.428	Pressure Limiting Devices	x			
195.428	Relief Valves - Location - Pressure Settings - Maintenance	x			
480-75-320	Relief Device set at or below MOP	x			
195.428	Pressure Controllers	x			
480-75-300	Leak Detection – 8% in 15 Minutes	x			
480-75-300	Leak detection at flow and no flow conditions	x			
195.430	Fire Fighting Equipment	x			
195.432	Breakout Tanks			x	
480-75-330	Do breakout tanks have independent overfill alarms?			x	
195.434	Signs - Pumping Stations - Breakout Tanks	x			
195.436	Security - Pumping Stations - Breakout Tanks	x			
195.438	No Smoking Signs	x			
	Operator Qualification Field Validation				
195.501-195.509	**Important:** Per OPS, the OQ Field Inspection Protocol Form (Rev 3, Feb 07) shall be used by the inspector as part of this standard inspection. When completed, the inspector will upload this information into the PHMSA OQ Database located at http://primis.phmsa.dot.gov/oqdb/home **Form Completed? Y OQDB Updated? Y**				
195.571	Cathodic Protection (test station readings, other locations to ensure adequate CP levels)	x			
195.573	Rectifiers, Reverse Current Switches, Diodes, Interference Bonds	x			
195.575	Electrical Isolation; shorted casings	x			
195.583	Exposed pipeline components (splash zones, water spans, soil/air interface, thermal insulation, disbanded coatings, supports, deck penetrations, etc.)	x			

Facility Sites Visited:		
Facility Type	**Facility ID Number**	**Location**
Ammonia Pipeline		Pipeline to Finley Facility

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Comments:
Line is not piggable, Line was constructed prior to promulgation of the pipeline safety standards, Process and procedure must be developed to identify adequate supervisory knowledge of emergency response procedures, no navigable waters in system, no breakout tanks in system,

WUTC PSS AB 04-01 dated 10/24/04 **Maintenance of Impressed Current Cathodic Protection Systems**
Is the operator aware of the advisory bulletin, and has the operator reviewed their Plans and Procedures to determine whether adequate processes are in pace to ensure that impressed current cathodic protection systems are configured and labeled correctly? Y

STANDARD INSPECTION REPORT OF A LIQUID PIPELINE CARRIER

Oil Pollution Act (49 CFR 194)

	Field Verification of Facility Response Plan Information	Y	N	N/A
	Is there a copy of the approved Facility Response Plan present? [See Guidance OPA-1]			x
194.111	RSPA Tracking Number: Approval Date:			
194.107	Are the names and phone numbers on the notification list in the FRP current?[OPA-2]			x
194.107	Is there written proof of a contract with the primary oil spill removal organization (OSRO)? [OPA-3]			x
194.107	Are there complete records of the operator's oil spill exercise program? [OPA-4]			x
194.117	Does the operator maintain records for spill response training (including HAZWOPER training)? [OPA-5]			x

Comments *(If any of the above is marked N or N/A, please indicate why, either in this box or in a referenced note):*

Operator operates an ammonia pipeline and is not an oil handling facility.

OPA Inspection Guidance

OPA-1 - RSPA Tracking Number: This is also known as the "sequence number." It is a four-digit number that PHMSA HQ assigns to each facility response plan (FRP). If the operator does not know their sequence number, they should look on their copy of the FRP for the sequence number. Also, PHMSA HQ always puts the sequence number in every plan-related letter to operators. If the operator is a new operator without a plan, the unit has a new owner, or the unit has new facilities not incorporated into the existing OPA-90 Plan, the answer is NO. Direct the operator to contact L.E. Herrick, 202-366-5523.

Copy of approved FRP: Every oil pipeline operator must have an FRP approved by PHMSA. The operator should be able to produce their PHMSA plan approval letter. When PHMSA HQ approves a plan, the approval is valid for five years from the date of the approval letter.

OPA-2 - Names and phone numbers: Operators are required to keep the notification lists in their FRP current. The inspector should examine the notification list in the FRP and spot-check the accuracy of the names and phone numbers when they interview the operator. It is critical to check the Qualified Individual (QI) and Alternate QI data.

OPA-3 - Proof of OSRO contract: Operators whose FRP's state that they are relying on clean-up contractors for spill response are required to have contracts with the oil spill removal organizations (OSRO's) that they cite in the FRP. The inspector should ask to see documentation that the operator has a contract in place with the primary OSRO listed in the FRP.

OPA-4 - Exercise documentation: Operators are required to conduct a variety of spill response exercises under Part 194, and make their exercise records available to PHMSA for inspection. Inspectors should check to see if the operator lists the date, time, location and names of exercise participants. If the inspector has doubts about whether the operator's exercise documentation is accurate, it should be noted on the inspection form so that PHMSA HQ can follow up with the operator. The documentation should include annual spill management team tabletop exercises, quarterly internal notification drills, and annual response equipment deployment drills? The drill does not necessarily need to include a pipeline spill scenario, but should test the operator's personnel, equipment, resources, and response strategies needed for responding to a comparable pipeline spill.

OPA-5 - Training records: Operators are required to train their personnel to carry out their individual roles under the FRP. The inspector should spot-check the files of key personnel listed in the FRP to ensure that they have been trained to carry out their duties in a response. Special attention should be given to documenting the safety training required under OSHA's Hazwoper standard (29 CFR 1910.120). Each person involved in a spill response is required under 194.117 to have training commensurate with their duties.

Recent PHMSA Advisory Bulletins (Last 2 years)

Leave this list with the operator.

Number	Date	Subject
ADB-04-03	August 18, 2004	Pipeline Safety: Unauthorized Excavations and the Installation of Third-Party Data Acquisition Devices on Underground Pipeline Facilities
ADB-04-05	November 26, 2004	Pipeline Safety: Operator Qualification Requirements
ADB-05-02	April 6, 2005	Pipeline Safety: Strapping Table Calibration for Pipeline Breakout Tank Operators
ADB-05-03	May 23, 2005	Pipeline Safety: Planning for Coordination of Emergency Response to Pipeline Emergencies
ADB-05-05	August 10, 2005	Pipeline Safety Advisory Bulletin - Inspecting and Testing Pilot-Operated Pressure Relief Valves
ADB-05-06	August 11, 2005	ADB-05-06 - Pipeline Safety - Countermeasures to Prevent Human Fatigue in the Control Room
ADB-06-01	January 17, 2006	Pipeline Safety: Notice to Operators of Natural Gas and Hazardous Liquid Pipelines to Integrate Operator Qualification Regulations into Excavation Activities

For more PHMSA Advisory Bulletins, go to http://ops.dot.gov/regs/advise.htm