



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

February 25, 2015

Mr. Hugh Harden
V.P. Operations Engineering EHS
Trans Mountain Pipeline (Puget Sound), LLC
2700, 300 - 5th Ave, SW
Calgary, AB, Canada
T2P 5J2

CPF 5-2015-5007W

Dear Mr. Harden:

On October 7-10, 2014, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected your Trans Mountain Pipeline system in Bellingham, Washington.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation is:

1. **§ 195.432 Inspection of in-service breakout tanks.**

(b) Each operator must inspect the physical integrity of in-service atmospheric and low-pressure steel aboveground breakout tanks according to API Standard 653 (incorporated by reference, see § 195.3). However, if structural conditions prevent access to the tank bottom, the bottom integrity may be assessed according to a plan included in the operations and maintenance manual under § 195.402(c)(3).

At the time of the inspection, Trans Mountain Pipeline exceeded the 5-year in-service inspection interval requirement for breakout tanks T-130, T-170, and T-180 as required by API Standard 653. Although these tanks were inspected in 2014, the 5-year in-service inspection for these breakout tanks was required to be performed by the end of the year 2013 to meet API Standard 653.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a related series of violations

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 5-2015-5007W**. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

Sincerely,



Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 D. Mulligan

Activity #149232 (I05)