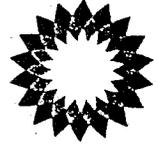


bp



BP Pipelines (North America), Inc.
28100 Torch Parkway
Suite 600
Warrenville, IL 60555

May 18, 2006
Ms. Stacey Gerard
Associate Administrator for Pipeline Safety
DOT, Pipeline Hazardous Materials Safety Administration, Office of Pipeline Safety
400 Seventh Street, SW
Room 8410
Washington, DC 20590

Re: CPF No. 3-2005-5030
Petition for Reconsideration of Final Order dated 04/26/06

RECEIVED
U.S. DOT/KSP/A
OFFICE OF CHIEF COUNSEL
2006 MAY 22 P 2:40

Dear Ms. Gerard:

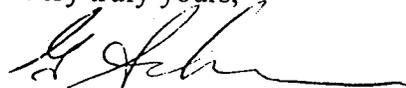
This letter constitutes the response of BP Pipeline (North America) Inc. (BPPL) to the Final Order regarding the alleged violation of 49 C.F.R. § 195.452(h)(2).

BPPL requests reconsideration in accordance with 49 C.F.R. § 190.215. By submitting this response, BPPL does not waive any right, privilege or objection that it may have in any separate or subsequent proceeding related in any way to the information provided in this response.

BPPL shares the goals of DOT, PHMSA, OPS of continuous improvement in pipeline safety. Further, BPPL reflects on the intent of 195.452, discussion in the preamble, and your article in the Oil and Gas Journal, January 2005 – “New Directions in Federal Pipeline Safety Program Promote Continuous Improvement” Stacey Gerard. Specifically, the management process to collect, integrate, analyze and apply information; .452 being “...a management based rule provides to allow operators flexibility in how operators evaluated, justify, and change their practices to satisfy the intent of the rule within their unique operating environment.” Finally, “...good management procedures require time to develop, document, and fully implement.” BPPL has had multiple reviews of it’s integrity management procedures (since 2002) by Federal and State partners, has amended its procedures accordingly, requested feedback formally and informally with the Region Directors, Program Managers and has continued to make improvements to these procedures since rule effect. BP’s actions in this case clearly demonstrate its commitment to continuous improvement and are consistent with both the letter and spirit of the IMP Rule. Therefore, we respectfully request reconsideration of this Final Order.

Please contact me directly at 630-836-3494 if you have any questions regarding this submission.

Very truly yours,



G.E. Schau
BP Pipelines (North America) Inc.
Manager, HSSE & Integrity

**Petition for Reconsideration
to U.S. Department of Transportation, PHMSA, OPS
of Final Order Regarding CPF No. 3-2005-5030 dated April 26, 2006**

This Final Order does not properly consider the evolutionary nature of the IMP Programs contemplated in the Preamble and Final Rule as well as S. Gerard's January 2005 OG&J article. As stated in previous correspondence, BPPL was following its existing written integrity management procedures for data integration and, consistent with those procedures, utilized the "Final Report" information from a valid metal loss tool run to then integrate the data and make a determination as to whether or not there was a discovery of a condition pursuant to the integrity management rules. BPPL's Integrity Management Plan and procedures were inspected and evaluated by PHMSA in 2002 with a "Quick Hit Inspection," 2003 IM Comprehensive, and 2005 IM Comprehensive and BP's practice of declaring Discovery after successful completion of both tool runs was constant and never elevated as an area of concern by the inspection teams. Additionally, DOT State partners (Texas Railroad Commission and California State Fire Marshall) conducted IM inspection / evaluations that were completed in 2004.

There was not adequate information based upon the geometry tool results alone because of nearby back to back pipeline bends and a stopple fitting, which BPPL knew existed in the vicinity of the reported anomalies and distorted the tool results. Thus, it was both necessary and appropriate for BPPL to wait for the metal loss tool data in order to determine the date of "discovery of a condition". During the 4th quarter 2003 and into mid 2004 BPPL worked jointly with its tool vendor to re-engineer the corrosion tool to satisfactorily evaluate this line's internal surface (weld "icicles"). This, again, is consistent with the IMP program as promulgated by the agency. For example, discovery of a condition as defined in the Glossary on the PHMSA website states that adequate information may be available depending on the circumstances, including "when the preliminary report is completed, following an analytical evaluation that integrates information from other sources, following excavation, or following receipt of the final internal inspection report."

The processes developed in IM programs require OPS and BPPL to work toward defining requirements consistently. Our process did not meet the expectation of OPS and accordingly has been revised. BPPL values audits conducted by OPS which help clarify expectations and interpretations. However, with regard to the implication in the Final Order that discovery should have been declared earlier based on the geometry tool run, BPPL respectfully disagrees. We do not believe that it is appropriate to substitute operator experience with its system and the repeatedly stated agency goal of encouraging data integration with a generalized finding that the discovery of a condition will be determined by the date of individual tool runs.

Further, if the agency desires that discovery of a condition in fact is to be tied solely to the date of tool runs, then this is a recent change which was not applicable at the time that the work related to the Final Order was done. Changes in the Frequently Asked Questions dated 12/16/05 for FAQ 4.13 specifically state that this change was made: "Revised to note that 180-day discovery deadline applies to individual ILI tool runs." For the purposes of this Petition for

Reconsideration, we can simply state that this change was not in effect at the time that the determinations were made regarding the integration of the data that BPPL believed was necessary in order to evaluate the anomalies in question. Further in the Final Order the statement that tool runs should be reviewed independently was vague and not defined specifically till much later in the revisions of the FAQ's.

We also would ask that you reconsider the paragraph in the Final Order regarding FAQ 6.6. The value in citing FAQ 6.6 is that it is the only place in the IMP regulations where the terms "Separated in Time" and "Assessment" (combination of a corrosion and deformation tool run) are defined specifically enough and PHMSA recently revised or incorporated similar language by referencing FAQ 6.6 in FAQ 4.13. According to FAQ 4.13 (updated 12/16/05) "The date on which an assessment is considered complete will be the date on which final field activities related to that assessment are performed, not including repair activities. That will be when a hydrostatic test is completed, when the last in-line inspection tool run of an integrated set of tool runs is performed (see FAQ 6.6), when the last direct examination associated with external corrosion direct assessment is made, or the date on which field activities for "other technology" for which an operator has provided timely notification is conducted...". Flexibility was built into the FAQ's and this program based on the BPPL's "Management Practices" in obtaining adequate information depending on the circumstances, even where such circumstances may require further data evaluation or work, up to and including excavation.

Finally, the Final Order notes that BPPL previously violated § 195.452(h)(2). BPPL would like to reflect for the record, it responded to CPF No. 5-2003-5031 regarding this previous violation in Feb 2004 and BP personnel met with Western Region Director and staff in April 2004 to further discuss and submit additional information on this Notice and received Final Order communication dated May 16, 2005.

Therefore, if in fact CPF No. 5-2003-5031 is being use as evidence of prior violations of 195.452(h)(2), BP was not formally notified of PHMSA's ruling until it received that Final Order on May 16, 2005 which was well after the events that BP was cited for in this case. Thus at the time of the alleged violation BP was operating under the premise that its procedures were in compliance with 195.452(h)(2). BP continuously improved its "Management Practices" (IMP Procedures) following the 2002 and 2003 IMP Inspections and believed these revisions adequately addressed PHMSA's concerns regarding this issue. While these communications and practices were being implemented the aforementioned assessment occurred and simultaneously these procedures were under review with PHMSA.