February 19, 2021

VIA EMAIL

Mr. Gregory Ochs  
Director, Central Region  
U.S. Department of Transportation  
PHMSA, Office of Pipeline Safety  
901 Locust Street, Suite 462  
Kansas City, MO 64106-2641

Re: CPF No. 3-2021-006-NOPV

Dear Mr. Ochs:

BP Pipelines (North America) Inc. (BP), operator of Olympic Pipe Line Company (OPL), is writing in response to the referenced Notice of Probable Violation (NOPV) and Proposed Compliance Order (PCO) letter, received in our offices on January 29, 2021, regarding the August 3, 2020 through October 16, 2020 inspection of the Olympic Pipeline system.

BP is not contesting the NOPV or PCO but wishes to submit additional information to clarify the alleged findings and PCO remedial requirements and timeframes. For ease of response, the code citation and DOT’s statements have been copied below in italics and are followed by the BP response.

Probable Violations

1. § 195.452 Pipeline integrity management in high consequence areas.  
   (a) . . .  
   (h) What actions must an operator take to address integrity issues?  
   (1) . . .  
   (4) Special requirements for scheduling remediation-  
   (i) . . .  
   (iii) 180-day conditions. Except for conditions listed in paragraph (h)(4)(i) or (ii) of this section, an operator must schedule evaluation and remediation of the following within 180 days of discovery of the condition:  
   (A) . . .  
   (B) A dent located on the top of the pipeline (above 4 and 8 o’clock position) with a depth greater than 2% of the pipeline’s diameter (0.250 inches in depth for a pipeline diameter less than NPS12).

Finding:  
Olympic Pipeline Company (Olympic) failed to repair a dent located on the top of a pipeline with a depth greater than 2% of the pipeline’s diameter within 180 days of discovery of a condition.  
Specifically, Olympic failed to repair a 2.25 % dent located in 1:27 o’clock position during a March
2, 2017 dig on the 14-inch diameter Portland Delivery Fuel W2 line at site W2F-2016-003, which is located in a High Consequence Area (HCA). The cement block from construction that caused the dent was removed and BP's visual observation and records showed that there was no coating damage and no metal loss or gouges associated with the dent. Recoating of the pipeline at the location of the dent after NDE was the only repair that was performed. Olympic failed to remediate the 2.25 % dent within 180 days of discovery of the condition because the repair performed did not meet the ASME B 31.4 repair criteria (6 % dent), which is what Olympic’s own repair procedure, P 195.422, requires. Therefore, Olympic Pipeline failed to repair a 180-day condition as required by § 195.452(h)(4)(iii).

BP Response:
BP is in the process of updating procedures to better clarify that dents located on the top of the pipeline (above 4 and 8 o'clock position) with a depth greater than 2% of the pipeline's diameter (0.250 inches in depth for a pipeline diameter less than NPS 12”) will be inspected and remediated within 180-days from discovery. BP is initiating a project to excavate and remediate Site W2F-2016-003 and will target completion of the repair within 180-day of the finalization of this order.

2. § 195.571 What criteria must I use to determine the adequacy of cathodic protection?

Cathodic protection required by this subpart must comply with one or more of the applicable criteria and other considerations for cathodic protection contained paragraphs 6.2.2, 6.2.3, 6.2.4, 6.2.5 and 6.3 in NACE SP 0169 (incorporated by reference, see § 195.3).

Finding:
Olympic did not comply with sections 6.2 and 6.3 of NACE SP 0169 for determining the adequacy of their cathodic protection (CP) by not considering all IR drop in the 2017-2019 annual CP surveys. Specifically, Olympic performed an “off survey” to determine the adequacy of its CP system. During an “off survey”, the CP current is briefly interrupted (milliseconds) which eliminates IR drop (voltage drop). Absent specific data to demonstrate the adequacy of a CP system, operators of steel and cast iron pipelines shall comply with the requirements of NACE SP 0169, section 6.2.2.1.1, which requires consideration of voltage drops other than those across the structure-to-electrolyte boundary for valid interpretation of this voltage measurement. Olympic did not interrupt foreign rectifiers when conducting instant off survey, as required.

Olympic personnel stated during the inspection interview and in a data response that is was possible that not all foreign rectifiers affecting the tank farm were interrupted which means that the potentials being read are not polarized potentials. An operator must comply with applicable criteria and other considerations within NACE SP 0169 paragraphs 6.2 and 6.3 to determine the adequacy of cathodic protection.

BP Response:
The in-scope pipeline segments traverse through a heavy industrial area that include many terminal facilities that all have cathodic protection facilities in place to protect third-party piping and tankage. BP believes that adequate levels of cathodic protection exist on the pipeline system in the areas in question. This is supported through review and evaluation of various integrity monitoring data including integrity testing results, visual pipe and coating observations and cathodic protection annual read data which does not indicate depressed reads which would result from unmitigated interference. BP coordinates with the local third-party operators to conduct annual cathodic protection interruption activities in an effort to obtain polarized potentials for our pipeline system. BP has plans to conduct the 2021 annual polarized cathodic protection potential readings in the first half of the year and will work to follow-up with all third-party operators to confirm that coordinated interruption activities are taking place and all foreign rectifiers are
confirmed to be interrupted when polarized cathodic protection levels are obtained on our pipeline system.

**Proposed Compliance Order**

Regarding the Proposed Compliance Order for Item A, BP does not have any additional comments. Unforeseen delays in permitting, site access, and/or construction activities could impact completion of the dent repair within the 180-day requirement. BP will inform Director, Central Region if the dent repair completion timing is at risk.

Regarding the Proposed Compliance Order for Item B, BP does not have any additional comments. BP will attempt to ensure all foreign rectifiers in the vicinity of the subject pipeline segment are confirmed to be interrupted. BP will inform Director, Central Region if any third-party coordination issues impede the completion of the required rectifier interruption activities within the 180-day requirement.

Should you have any questions or require any further information, please free to contact me at 331-239-9745.

Sincerely,

*Timothy J.R. Smith*

Timothy J.R. Smith
Compliance Manager
BP Pipelines (North America) Inc.

cc: John D’Andrea - Vice President, BP Pipelines (North America) Inc.