



**Phillips 66
Pipeline LLC**

10-23-13 12:52 RCVD

Todd I. Tullio
Manager, Regulatory Compliance
Phillips 66 Pipeline LLC
3010 Briarpark Drive
PWC 7210-07
Houston, TX 77042
Phone 832.765.1636
Fax 832.765.0126

October 23, 2013

Chris Hoidal, Director Western Region
Pipeline Hazardous Materials Safety Administration
12300 West Dakota Ave, Suite 110
Lakewood, CO 80228

RE: CPF 5-2013-5011

Dear Mr. Hoidal:

This communication is in response to your letter dated August 23, 2013, regarding a Notice of Probable Violation and Proposed Compliance Order (NOPV) that Phillips 66 Pipeline LLC (P66PL) received on August 24, 2013. The NOPV was issued as a result of a field inspection performed on the Yellowstone Pipeline system by the Washington Utilities and Transportation Commission (WUTC). The segment inspected during this time was from Spokane to Moses Lake, all within the State of Washington.

Provided below is a summary of the items that the WUTC/PHMSA had concerns about during this inspection and P66PL's responses to these concerns.

PHMSA Item 1

§195.573 What must I do to monitor external corrosion control?

(a) Protected pipelines. You must do the following to determine whether cathodic protection required by this subpart complies with § 195.571:

- (1) Conduct tests on the protected pipeline at least once each calendar year, but with intervals not exceeding 15 months. However, if tests at those intervals are impractical for separately protected short sections of bare or ineffectively coated pipelines, testing may be done at least once every 3 calendar years, but with intervals not exceeding 39 months.

Phillips 66 staff did not adequately conduct cathodic protection (CP) tests on the protected pipeline at the required times. There were several CP test stations that were not tested between 2009 and 2012 due to accessibility issues and/or the inability to find them. It is unclear, from information provided by P66 employees, whether these test stations were necessary to determine whether the system had adequate CP. Phillips 66 procedure MPR-6018, 7.3.2.3, states that "...each and every test station

may not need to be read in order to determine that the system has adequate cathodic protection..."

The CP test sites that were not tested or "read" at the required intervals are detailed below:

- (1) The airport fence test site (MP 1.070) was not read in 2012 due to lack of access to the airport terminal.
- (2) Several casings were found during the 2010 tool run that were unknown to P66. These casings were brought into the annual surveys as of 2011 and 2012. No prior monitoring had been conducted to ensure adequate CP of the carrier pipe existed on these cased pipeline segments.
- (3) The casing for the abandoned test station GNRR Crossing (MP 553.050) was not monitored in 2012 due to airbase access issues.
- (4) Test site 563.000 (MP 563) was read in 2009 and 2011 by a contractor, but in 2010 and 2012 company employees attempting to read CP levels at this location, could not find the test lead and said it doesn't exist. The company map also shows a test site at this location.
- (5) Test site 574.000 (MP 574) was read in 2009 and 2010, but not in 2011 or 2012. There is no record for 2011. Apparently, if no data is entered then no record is kept

P66PL Response:

P66PL has amended procedure MPR-6018 to eliminate the wording that (each and every test station may not need to be read in order to determine that the system has adequate cathodic protection in section 7.3.2.3). Provided with this letter is the amended procedure that indicates that test stations that are being used to determine adequate cathodic protection will be read annually.

(1)The airport fence test site (MP 1.070) was not read in 2012 due to lack of access to the airport terminal.

P66PL Response:

Due to additional test stations near this area, the test station at (MP 1.07) is not used as a control point on this line and the test station has been removed from the annual test station survey. P66PL has additional test leads 540' upstream at (MP 0.95) and another 1200' at (MP 1.27) downstream from this location. On 2/27/2013 a follow up visit was made by the WUTC inspector Scott Rukke, access was made through the helicopter shop, and the pipe to soil readings at (MP 1.070) was at -1.270. Provided are the additional years of annual readings for these three test stations attached in Table 1. The readings show that the annual readings for the locations upstream and downstream indicate that the line has had adequate cathodic protection in this area.

(2)Several casings were found during the 2010 tool run that were unknown to P66. These casings were brought into the annual surveys as of 2011 and 2012. No prior monitoring had been conducted to ensure adequate CP of the carrier pipe existed on these cased pipeline segments.

P66PL Response:

In 2010 P66PL's integrity program started a company wide effort to make sure that all casings were identified and cataloged on all pipelines going forward during scheduled tool runs. This effort identified several casings on the pipeline in question, the casings that were identified during this effort were inspected and test leads were installed in 2011 and 2012. This is an example of data integration which allows P66PL to enhance the integrity of its pipelines and provide additional safety to the public. The test leads added to the program based upon the 2010 ILI tool run are listed in Table 2.

(3)The casing for the abandoned test station GNRR Crossing (MP 553.050) was not monitored in 2012 due to airbase access issues.

P66PL Response:

During the 2012 survey P66PL was denied access to the Air Force base due to the flight line security that was added in this area. On 2-27-2013 P66PL was allowed brief access and readings were obtained with the WUTC inspector present. They were - 2.238 on the carrier pipe and -.318 on the casing. In May of 2013, the casing and test lead to the carrier pipe were removed at (MP 553.050), at a cost of \$25,000.00. It was determined that both the casing and the test lead on the carrier pipe were not needed to provide adequate cathodic protection in this area. The test station at MP 553.000 upstream and the test point at MP 557.700 downstream of this abandoned casing have been monitored over the years and do not show any signs of depressed levels of cathodic protection.

(4)Test site 563.000 (MP 563) was read in 2009 and 2011 by a contractor, but in 2010 and 2012 company employees attempting to read CP levels at this location, could not find the test lead and said it doesn't exist. The company map also shows a test site at this location.

P66PL Response:

In 2009, based upon a test point shown in our internal mapping system (TranMap), a test point was added to the PCS Cathodic Protection Computer System. In subsequent years, when a contractor was performing the annual survey, P66PL believes that the contractor was confused about the location of the test site. P66PL has visited this area several times in 2012 and cannot locate the test site. It has been determined that due to the location of additional test sites in that area, this test site can be removed from the annual survey and TranMap.

(5)Test site 574.000 (MP 574) was read in 2009 and 2010, but not in 2011 or 2012. There is no record for 2011. Apparently, if no data is entered then no record is kept.

P66PL Response:

The test lead in question is located at about 2100' off the road in the middle of a wheat field. This test site can be hard to reach at times. During a site visit with the WUTC inspector Scott Rukke in 2012, P66PL obtained a reading in this area of -1.214 that

demonstrated that the cathodic protection levels were adequate. The annual survey will be adjusted to ensure that the test point is read annually within 15 months. This test station will remain on the annual test point survey. A listing of the test points on either side of this test station are shown in Table 3. The readings show that the annual readings for the locations upstream and downstream indicate that the line has had adequate cathodic protection in this area.

By submitting this response, P66PL 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.

Again, we want to assure the Western Region office that P66PL takes these field inspections seriously and our intent is to meet all applicable regulations and requirement for the safe operation of our pipelines. Should you or anyone on your staff have questions in regards to the information provided, please feel free to call or e-mail me.

Sincerely,



Todd Tullio
Manager, Regulatory Compliance

CC: D. Barney
V. Williams
R. Reineke
D.Lykken