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**COPY**

February 09, 2018

Mr. Dustin Hubbard  
Acting Director, Western Region  
US Department of Transportation  
Pipeline and Hazardous Materials Safety Administration  
12300 W. Dakota Avenue, Suite 110  
Lakewood, CO 80228

**Subject: Hawaiian Electric Company, Inc. – OPID 31057  
Response to Proposed Safety Order Notice – Waiiau Pipeline  
CPF 5-2018-6001S**

Dear Mr. Hubbard:

Enclosed is Hawaiian Electric Company, Inc.'s ("Hawaiian Electric") response to the Pipeline and Hazardous Materials Safety Administration's ("PHMSA") Proposed Safety Order (Notice) dated January 9, 2018 and referenced above. The Proposed Safety Order (Notice) was received by Alan Oshima, President and Chief Executive Officer of Hawaiian Electric via certified mail on January 17, 2018.

Consistent with the direction in the Proposed Safety Order (Notice), Hawaiian Electric's response provides notice to PHMSA of corrective measures that Hawaiian Electric intends to comply with as proposed. Hawaiian Electric respectfully requests an informal consultation about other proposed corrective measures. Additionally, the response offers corrections to certain preliminary findings that are relevant to the proposed corrective measures.

If you have any questions, please call me at (808) 543-7206, or email me at: [robert.isler@hawaiianelectric.com](mailto:robert.isler@hawaiianelectric.com).

Sincerely,

Robert C. Isler  
Vice President, Power Supply

Attachment: Proposed Safety Order (Notice) Response

## **Response to Proposed Safety Order (Notice) – Hawaiian Electric 8” Waiiau Pipeline**

### **Corrections to Preliminary Findings**

Preliminary findings, first bullet, second sentence: “There is a spur off the pipeline that goes to the Kahe power plant.”

Correction: The Waiiau pipeline is a direct pipeline from the Barbers Point Tank Farm to the Waiiau power plant. The Kahe pipeline is a completely separate pipeline.

Preliminary findings, sixth bullet, first sentence (in part): “The Waiiau Pipeline runs alongside much of Hawaii Highway 1, numerous roads, and other transportation corridors.”

Correction: The Waiiau pipeline runs alongside the Hawaii Highway 1 in only two short sections: 1) behind the former K-mart in Kapolei where the pipeline travels parallel to the freeway on/off; and 2) along 2nd street and the Bike Path in Pearl City where the pipeline runs below the elevated freeway.

Preliminary findings, sixth bullet, second sentence (in part): “The Waiiau Pipeline is located in a High Consequence Area (HCA) due to its proximity to the populations of Pearl Harbor and Honolulu, as well as its proximity to Unusually Sensitive Area (USA) drinking water resource and ecological resource.

Correction: The HCA analysis for the Waiiau pipeline indicates that the USA drinking water resource would not be impacted under any Waiiau pipeline compromise scenario as the resource is one quarter mile up gradient of the pipeline right of way.

Preliminary findings, seventh bullet: “The Waiiau Pipeline crosses geological formations and soils that are potentially abrasive such as volcanic rock and coral sands.”

Correction: The Waiiau pipeline does not cross volcanic rock along its ROW. In addition, the Waiiau Pipeline has an 80 mil HDPE jacket which would negate concerns over abrasive wear on the pipeline coating.

increased effort and cost could be better served in other areas of damage prevention and integrity management.

- 3) "The first ILI run referenced in this Notice shall be conducted no later than 60 days after the issuance of a final safety order, and subsequent ILI surveys shall be conducted at the intervals not exceeding 30 months, but at least once each two calendar years."

Consideration: As mentioned previously, Hawaiian Electric attempted to run a UT-C tool on 12/12/2017 and 12/28/2017 without success. Hawaiian Electric is concerned that identifying an alternative vendor and achieving a successful UT run may not be possible within the 60-day time period. Hawaiian Electric feels that running an MFL-A tool will provide quality data in a shorter time period, allowing additional time to research alternate UT technologies. The type of corrosion identified in the recent leak would have been identified using MFL technology. Hawaiian Electric has no objection to the subsequent testing interval requirements stated above.