



Tesoro Logistics, Northwest Pipeline LLC
19100 Ridgewood Parkway
San Antonio, TX 78259

Federal Express (Overnight)
And Email

January 8, 2020

Mr. Dustin Hubbard
Director, Western Region
Pipeline and Hazardous Materials Safety Administration
12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

RE: Notice of Probable Violation and Proposed Compliance Order
CPF 5-2019-5015
Operator Response

Dear Mr. Hubbard:

On December 17, 2019, Tesoro Logistics, Northwest Pipeline LLC (Tesoro) a subsidiary of Marathon Petroleum received the above referenced Notice of Probable Violation and Proposed Compliance Order, dated December 9, 2019 alleging probable violations based on the lack of records. The Notice of Probable Violation and Proposed Compliance Order was issued to the Company by the Western Region of the Pipeline and Hazardous Materials Safety Administration (PHMSA) Office of Pipeline Safety (OPS) based on PHMSA's inspection of the Company's facilities, records and procedures that occurred between March 11, 2019 through March 13, 2019. Enclosed please find the response of Tesoro to the Notice of Probable Violation and Proposed Compliance Order. Tesoro is submitting this response timely and in accordance with 49 C.F.R. Part 190 Subpart B.

Item 1: § 195.402 Procedural manual for operation, maintenance and emergencies.

(a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling of abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year and appropriate changes made as necessary to ensure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.

PHMSA Allegation: Tesoro did not prepare and follow a manual of written procedures for conducting normal operations and maintenance activities for each pipeline system. Specifically, Tesoro failed to follow Sections 4.3.5 and 4.4.5 of its written procedures which required that "[t]he Director, Integrity shall document the disposition of each recommendation, including the engineering justification for any recommendations which were determined to not be necessary"

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regarding internal and external inspections of breakout tanks. During the inspection, the operator could not provide documentation for Breakout Tanks 3, 4, 9, 12 and 14 in accordance with Sections 4.3.5 and 4.4.5 of its procedures.

Tesoro Response: After these issues were discovered during your onsite inspection, Tesoro took immediate action to resolve them. Tesoro is providing the attached documentation for each of Tanks 3, 4, 9, and 12, which provides engineering disposition of each recommendation requiring further engineering evaluation.

Also, the internal inspection report dated November 2014 for Tank 14 inaccurately assigned a recommendation as an Action Code A for Item N2. Upon further evaluation, this recommendation was revised by the inspection company, HMT, to Action Code C, following the Washington Utilities and Transportation Commission inspection. Additionally, Items FLR24 and FLR25 which were classified as Action Code B were revised to Action Code C. The revision (Rev 1), attached, reassigned Action Codes associated with items that were listed as "repairs critical to tank integrity required" (Code A) or "further Engineering evaluation required" (Code B) items in the inspection summary that were not accurately identified and/or included in the Summary of Recommended Actions. Following this revision, there was one Code A item (N21) remaining, for replacement of the roof drain hose and no outstanding Code B items. Please find the attached invoices for repairs associated with Tank 14.

We believe these actions and associated documentation are adequate to resolve your concerns and satisfy the requirements of the Proposed Compliance Order.

Tesoro shares PHMSA's desire to ensure public safety and enhance pipeline system integrity, and we are committed to working with PHMSA toward those goals. If you have any questions regarding this response or would like to discuss further, please do not hesitate to contact Alonso Rodriguez at 210.626.4262 or arodriguez6@marathonpetroleum.com

Sincerely,



Shawn Lyon
President, Marathon Pipe Line LLC
Marathon Petroleum Logistics

cc: Mr. Jamey McLaughlin, Region Manager
Mr. Greg Smith, Senior Counsel
Mr. Duane DeBoo, Manager Environmental, Safety, and Regulatory