



STATE OF WASHINGTON

## UTILITIES AND TRANSPORTATION COMMISSION

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*Sent Via Email and Electronic Return Receipt Mail*

October 12, 2018

Vincent Di Cosimo  
VP Petroleum Logistics  
Targa Resources  
1000 Louisiana St, Suite 4300  
Houston, TX 77002  
[vdicosimo@targaresources.com](mailto:vdicosimo@targaresources.com)

**RE: 2018 Standard Hazardous Liquid Records and Field Inspection – Targa Sound Terminal, LLC. – (Insp. No. 7581)**

Dear Mr. Di Cosimo:

Staff from the Washington Utilities and Transportation Commission (staff) conducted a Standard Hazardous Liquid Records and Field inspection of Targa Sound Terminal, LLC. (Targa) on Sept. 24-26. This inspection included a records review and inspection of the pipeline facilities.

Our inspection indicates **two** probable violations as noted in the enclosed report, which unless corrected, could potentially lead to future violation of state and/or federal pipeline safety rules.

### **Your response needed**

Please review the attached report and respond in writing by Nov. 12. The response should include how and when you plan to bring the probable violations into full compliance.

### **What happens after you respond to this letter?**

The attached report presents staff's decision on probable violations and does not constitute a finding of violation by the commission at this time.

After you respond in writing to this letter, there are several possible actions the commission, in its discretion, may take with respect to this matter. For example, the commission may:

- Issue an administrative penalty under RCW 81.04.405; or

Targa Sound Terminal, LLC.  
2018 Standard Hazardous Liquid Records and Field Inspection  
Oct. 12, 2018  
Page 2

- Issue a complaint under RCW 81.88.040, seeking monetary penalties, changes in the company's practices, or other relief authorized by law, and justified by the circumstances. Any pipeline company that violates any pipeline safety provision of any commission order, or any rule in this chapter including those rules adopted by reference, or chapter 81.88 RCW is subject to a civil penalty not to exceed two hundred thousand dollars for each violation for each day that the violation persists. The maximum civil penalty for a related series of violations is two million dollars; or
- Consider the matter resolved without further commission action.

We have not yet decided whether to pursue a penalty or complaint in this matter. Should the commission decide to assess a penalty or initiate a complaint, your company will have an opportunity to respond and formally present its position.

If you have any questions or if we may be of any assistance, please contact Scott Anderson at (360) 664-1297. Please refer to the subject matter described above in any future correspondence pertaining to this inspection.

Sincerely,



Sean C. Mayo  
Pipeline Safety Director

Enclosure

cc: Tim Huffer, Manager, Regulatory Compliance, Targa [thuffer@targaresources.com](mailto:thuffer@targaresources.com)  
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**UTILITIES AND TRANSPORTATION COMMISSION**  
**2018 Hazardous Liquid Pipeline Safety Inspection**  
**Targa Sound Terminal, LLC.**

The following probable violations of Title 49 CFR Part 195.428(a) and 195.583(a) were noted as a result of the 2018 inspection of the Targa Sound Terminal, LLC. The inspection included a random selection of records, operation and maintenance (O&M), emergency response, inventory, and field inspection of the pipeline facilities.

**PROBABLE VIOLATIONS**

1. **49 CFR §195.428 Overpressure safety devices and overfill protection systems**  
*(a) Except as provided in paragraph (b) of this section, each operator shall, at intervals not exceeding 15 months, but at least once each calendar year, or in the case of pipelines used to carry highly volatile liquids, at intervals not to exceed 7½ months, but at least twice each calendar year, inspect and test each pressure limiting device, relief valve, pressure regulator, or other item of pressure control equipment to determine that it is functioning properly, is in good mechanical condition, and is adequate from the standpoint of capacity and reliability of operation for the service in which it is used.*

**Finding:**

After staff reviewed the records for valve inspection, staff found that Targa has not been testing the thermal relief valves on the launcher/receiver, boost station pump, and the thermal relief attached to the surge line that enters tank 205.

2. **49 CFR §195.583 What must I do to monitor atmospheric corrosion control?**  
*(a) You must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion as follows:*

<i><b>If the pipeline is located:</b></i>	<i><b>Then the frequency of inspection is:</b></i>
<i>Onshore</i>	<i>At least once every 3 calendar years, but with intervals not exceeding 39 months.</i>
<i>Offshore</i>	<i>At least once each calendar year, but with intervals no exceeding 15 months.</i>

**Finding:**

Staff found that Targa could not provide inspection documentation stating they had performed an atmospheric corrosion inspection for 2015. Targa was able to provide an atmospheric corrosion inspection document for 2018.