

Utilities and Transportation Commission

Standard Inspection Report for Intrastate Hazardous Liquid Systems

Records Review and Field Inspection

S – Satisfactory U – Unsatisfactory N/A – Not Applicable N/C – Not Checked
 If an item is marked U, N/A, or N/C, an explanation must be included in this report.

A completed **Inspection Checklist, Cover Letter and Field Report, IMP and OQ Field Validation Forms** are to be submitted to the Chief Engineer within **30 days** from completion of the inspection.

Inspection Report			
Inspection ID/ Docket Number	7838		
Inspector Name & Submit Date	Anthony Dorrough		
Chief Engineer Name & Review Date	Joe Subsits		
Operator Information			
Name of Operator:	Petrogas West LLC (formerly Altagas Facilities (US Inc))	OPID #:	39633
Name of Unit(s):	Ferndale Storage Terminal		
Records Location:	4100 Unick Road,		
Date(s) of Last Review:	September 21 thru 24, 2015	Inspection Date(s)	December 12 - 13, 2018

Inspection Summary:

The Ferndale Storage Terminal is located in Ferndale, WA. It serves primarily as a butane storage facility although there is some non-jurisdictional propane that is also transported by truck and rail from the facility. There are two butane storage tanks that were designed to API 620 R specifications. They have a combined total capacity of 790,000 barrels and were constructed in 1977 and 1994. There is approximately 75-100 feet of low stress jurisdictional pipeline in above and underground sections.

No violations were noted as result of this inspection, staff did however have one area of concern involving work order inspection maintenance actions, records seem to indicate that it is taking a long time to close-the-loop on those actions.

HQ Address: Petrogas Inc. 15840 FM 529 Suite 270 Houston, Texas 77095		System/Unit Address: Petrogas 4100 Unick Road Ferndale, WA 98248	
Co. Official:	James Storoshenko	Phone No.:	360-384-1701
Phone No.:	403-441-2145	Fax No.:	
Fax No.:		Emergency Phone No.:	360-384-1701
Emergency Phone No.:			
Persons Interviewed		Title	
Gary McSpadden		Operations Manager	
Gatlin McConnell		Safety Coordinator	

Have incident reports and the annual report been reviewed for accuracy and analyzed for trends and operator issues? Yes No

Comments:

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UTC staff conducted abbreviated procedures inspection on 195 O&M and WAC items that changed since the last inspection. This checklist focuses on Records and Field items per a routine standard inspection.		
(check one below and enter appropriate date)		
Team inspection was performed (Within the past five years.) or,	Date:	
Other UTC Inspector reviewed the O & M Manual (Since the last yearly review of the manual by the operator.)	Date:	
Any revisions to O&M manual since last review? Yes No If yes, review revisions made.		

Comments:

REPORTING						
1.	RCW 81.88.080	Pipeline Mapping System: Has the operator provided accurate maps (or updates) of pipelines, operating over two hundred fifty pounds per square inch gauge, to specifications developed by the commission sufficient to meet the needs of first responders? ---No pipelines operating over 250 MOP			X	
2.	49 U.S.C. 60132, Subsection (b) ADB-03-02 ADB-08-07	Do records indicate: NPMS submissions are updated every 12 months if system modifications (excludes distribution lines and gathering lines) occurred, and if no modifications occurred an email to that effect was submitted?	X			
3.	480-75-610	Report construction for new pipelines (>100 feet) new pipe 45 days prior to new construction ---No construction since last inspection.			X	
4.	480-75-620	Was MOP changed based on hydrotest? Report submitted? ---No change to MOP since last inspection.			X	
5.	480-75-630(1)	Telephonic Reports to UTC Pipeline Safety Incident Notification 1-888-321-9144 (Within 2 hours of discovery) for events which results in; a) A fatality; (b) Personal injury requiring hospitalization; (c) Fire or explosion not intentionally set by the pipeline company; (d) Spills of five gallons or more of product from the pipeline; (e) Damage to the property of the pipeline company and others of a combined total cost exceeding twenty-five thousand dollars (automobile collisions and other equipment accidents not involving hazardous liquid or hazardous-liquid-handling equipment need not be reported under this rule); (f) A significant occurrence in the judgment of the pipeline company, even though it does not meet the criteria of (a) through (e) of this subsection; (g) The news media reports the occurrence, even though it does not meet the criteria of (a) through (f) of this subsection. ---No accidents or incidents since last inspection.			X	
6.	480-75-630(2)	Written reports to the commission within 30 calendar days of the incident. The report must include the following: a) Name(s) and address(es) of any person or persons injured or killed or whose property was damaged; (b) The extent of injuries and damage; (c) A description of the incident including date, time, and place; (d) A description and maximum operating pressure of the pipeline implicated in the incident and the system operating pressure at the time of the incident; (e) The date and time the pipeline returns to safe operations; and (f) The date, time, and type of any temporary or permanent repair. ---No accidents or incidents since last inspection.			X	
7.	195.402(c)(5)	Pipeline accidents analyzed to determine their causes ---No accidents since last inspection.			X	
8.	195.442(c)(6)	Does the operator review records of accidents and failures due to excavation damage to ensure causes of failures are addressed to minimize the possibility of reoccurrence? ---No accidents or failures since last inspection.			X	

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9.	480-75-630(3)	Telephonic notification within twenty-four hours of emergency situations including emergency shutdowns, material defects, or physical damage that impairs the serviceability of the pipeline. ---No emergency situations since last inspection.				X	
10.	49 CFR 195.402	Did the operator follow written procedures pertaining to notification of excavation, marking, positive response and the availability and use of the one call system?	X				
11.	442(c)(6)	Does the operator have directional drilling/boring procedures which include taking actions necessary to protect their facilities from the dangers posed by drilling and other trenchless technologies?	X				
12.	480-75-630(4)	Filing Reports of Damage to Hazardous Liquid Pipeline Facilities to the commission. (eff 4/1/2013) (Via the commission’s Virtual DIRT system or on-line damage reporting form)					
13.	480-75-630(4)(a)	<ul style="list-style-type: none"> Does the operator report to the commission the requirements set forth in RCW 19.122.053(3) (a) through (n) ---No reports since last inspection. 				X	
14.	480-75-630(4)(b)	Does the operator report the name, address, and phone number of the person or entity that the company has reason to believe may have caused damage due to excavations conducted without facility locates first being completed? ---No reports since last inspection.				X	
15.	480-75-630(4)(c)	Does the operator retain all damage and damage claim records it creates related to damage events reported under 93-200(7)(b), including photographs and documentation supporting the conclusion that a facilities locate was not completed? Note: Records maintained for two years and made available to the commission upon request. ---No reports since last inspection.				X	
16.	480-75-630(5)	Does the operator provide the following information to excavators who damage hazardous liquid pipeline facilities?					
17.	480-75-630(5)(a)	Notification requirements for excavators under RCW 19.122.050(1) ---No damage reports since last inspection.				X	
18.	480-75-630(5)(b)	A description of the excavator’s responsibilities for reporting damages under RCW 19.122.053; and ---No damage reports since last inspection.				X	
19.	480-75-630(5)(c)	Information concerning the safety committee referenced under RCW 19.122.130, including committee contact information, and the process for filing a complaint with the safety committee. ---No damage reports since last inspection.				X	
20.	480-75-630(6)	Reports to the commission only when the operator or its contractor observes or becomes aware of the following activities... <ul style="list-style-type: none"> An excavator digs within thirty-five feet of a transmission pipeline, as defined by RCW 19.122.020(26) without first obtaining a facilities locate; (630(6)(a) A person intentionally damages or removes marks indicating the location or presence of hazardous liquid pipeline facilities. 630(6)(b) ---No reports since last inspection. 				X	
21.	Damage Prevention (Operator Internal Performance Measures PHMSA – State Program Evaluation Questions	Does the operator have a quality assurance program in place for monitoring the locating and marking of facilities? Do operators conduct regular field audits of the performance of locators/contractors and take action when necessary? (CGA Best Practices v. 6.0, Best Practice 4-18. Recommended only, not required)	X				
22.		Does operator including performance measures in facility locating services contracts with corresponding and meaningful incentives and penalties?	X				
23.		Do locate contractors address performance problems for persons performing locating services through mechanisms such as re-training, process change, or changes in staffing levels?	X				
24.		Does the operator periodically review the Operator Qualification plan criteria and methods used to qualify personnel to perform locates?	X				
25.		Review operator locating and excavation procedures for compliance with state law and regulations.	X				
26.		Are locates are being made within the timeframes required by state law and regulations? Examine record sample.	X				
27.		Are locating and excavating personnel properly qualified in accordance with the operator’s Operator Qualification plan and with federal and state requirements?	X				

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Comments:

OPERATION & MAINTENANCE			S	U	NA	NC
28.	480-75-620	Change in MOP? Changed based on hydrotest? --- No change in MOP since last inspection.			X	
29.	480-75-640	Depth of cover surveys and mitigation	X			
30.	480-75-500	Pipe movement study per API 1117 --- No pipeline movement since last inspection.			X	
31.	480-75-300 (3)	Leak detection and alarm records --- Not required.			X	
32.	480-75-320	Surge analysis done? --- Set below MOP	X			

CORROSION CONTROL			S	U	NA	NC
33.	480-75-510	Corrosion remediation within 90 days --- No corrosion remediation issues.			X	

Comments:

FIELD REVIEW			S	U	N/A	N/C
34.	480-75-540	Markers at exposed areas	X			
35.	480-75-320	Relief Device set at or below MOP	X			
36.	480-75-300	Leak Detection – 8% in 15 Minutes	X			
37.	480-75-300	Leak detection at flow and no flow conditions	X			
38.	480-75-330	Do Breakout Tanks have independent overfill alarms?	X			

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EXIT INTERVIEW

Exit interview conducted? Issues addressed: No issues at this point in time.	Date:	12/13/2018
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PHMSA Advisory Bulletins

<u>Number</u>	<u>Date</u>	<u>Subject</u>
ADB-2016-07	Dec 9, 16	Safeguarding and Securing Pipelines From Unauthorized Access
ADB-2016-04	Jun 21, 16	Ineffective Protection, Detection, and Mitigation of Corrosion Resulting From Insulated Coatings on Buried Pipelines
ADB-2016-01	Jan 19, 16	Potential for Damage to Pipeline Facilities Caused by Flooding, River Scour, and Channel Migration
ADB-12-10	Dec 5, 12	Using Meaningful Metrics in Conducting Integrity Management Program Evaluations
ADB-12-09	Oct 11, 12	Communication During Emergency Situations
ADB-12-08	Jul 31, 12	Inspection and Protection of Pipeline Facilities After Railway Accidents
ADB -12-06	May 7, 12	Verification of Records Establishing MAOP and MOP.
ADB-12-04	Mar 21, 12	Implementation of the National Registry of Pipeline and Liquefied Natural Gas Operators
ADB -12-03	Mar 6, 12	Notice to Operators of Driscopipe 8000 High Density Polyethylene Pipe of the Potential for Material Degradation

For more PHMSA Advisory Bulletins, go to <https://www.phmsa.dot.gov/regulations-fr/notices>