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ONE HUNDRED NINTH CONGRESS

U.S. House of Representatives Committee on Energy and Commerce Washington, DC 20515-6115

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June 15, 2006

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BUD ALBRIGHT, STAFF DIRECTOR

Vice Admiral Thomas J. Barrett, USCG (Ret.) Administrator Pipeline and Hazardous Materials Safety Administration 400 Seventh Street, S.W., Room 8410 Washington, D.C. 20590

Dear Admiral Barrett:

I write to thank you for the excellent work your office, the Pipeline and Hazardous Materials Safety Administration (PHMSA), has done on BP Alaska pipelines and to ask questions about ongoing issues. Yesterday, senior officials from your office briefed both majority and minority staff from this Committee regarding the continuing issues facing BP Alaska's efforts to meet the Corrective Action Order (CAO) issued by your office shortly after the spill.

As you are aware, the deadline for meeting the requirements of that Order is today. It is my understanding that not all of the items in the Order, specifically those that require "smart pigging" of several major lines, can be met at present. That requirement, as detailed in the CAO, states that BP Alaska must:

"Perform an internal inspection using a calibrated smart pig on the PBEOA and Lisburne pipelines within 3 months of receipt of this Order. Take appropriate action to address all anomalies discovered, in accordance with the standards for anomaly repair in 49 C.F.R. Part 195. Record differences between inline inspection data and actual "as found" data for all anomalies and integrate that data in future analyses, mapping corrosion growth, and confirming data gathered by inline inspection tool. Develop and submit for approval a plan to perform internal inspections at regular intervals, not to exceed 5 years, and schedule for the repair of anomalies identified through those inspections. Implement that plan upon approval."

It is my understanding that your office has worked diligently with BP Alaska to assess – on a temporary basis – the quality of all pipelines that fall under this Order through methods other than smart pigging. At this time, PHMSA believes that there is enough information to

Vice Admiral Thomas J. Barrett, USCG (Ret.) Page 2

continue to allow BP to operate these lines, despite the fact that key crude lines have not been smart pigged as required by the Order. I remain concerned that the requirements of this Order must eventually be met and I understand that you share that view as well. Therefore, as this process moves forward, I have several questions:

- 1. It is my understanding that BP Alaska contends they cannot meet item 7 in your CAO because of "factors outside its control." It is my understanding that those "factors" are mainly attributed to the amount of sludge that has been allowed to build up in those lines over the past decade or more. Nevertheless, BP staff suggested to Committee staff that a much smaller amount of sludge exists in those lines than was previously believed. What is PHMSA's understanding at this time as to why BP Alaska cannot meet item 7 in the CAO?
- 2. What is PHMSA's understanding of the amount of sludge in each of these lines? Is the amount de minimus? If so, can BP meet the CAO deadline requiring it to smart pig these lines?
- 3. What is PHMSA's understanding of when BP Alaska will fully comply with all aspects of the CAO? Specifically, what is BP's plan to smart pig all its lines and is this plan adequate? More specifically, does this plan detail an approach to this problem with specific dates and milestones and has PHMSA been provided with this plan? If so, please provide it.
- 4. Finally, what sanctions will BP face if it continues to operate its pipelines without meeting item 7 of the CAO? Is there an agreed-upon date certain where DOT will require that BP adhere to the strict language of the Order, specifically that which requires smart pigging? If so, what is that date and what happens if BP Alaska still cannot adhere to the Order at that point in time?

I would appreciate answers to these questions by Thursday, June 29, 2006. If you have any questions about this matter, you may contact me directly or have your staff contact Christopher Knauer or Bruce Harris of the Committee on Energy and Commerce Democratic staff at 202-226-3400.

Sincerely,

JOHN D. DINGELL

RANKING MEMBER

cc: The Honorable Joe Barton, Chairman Committee on Energy and Commerce