



U.S. Department
of Transportation

**Research and
Special Programs
Administration**

400 Seventh Street, S.W.
Washington, D.C. 20590

OCT 24 2000

Mr. Bobby J. Talley
Vice President
Olympic Pipeline Company
BP Amoco Corporation
2201 Lind Avenue S.W., Suite 270
Renton, WA 98055

Re: CPF No. 59505-H

Dear Mr. Talley:

Enclosed is a decision on the Petition for Reconsideration filed in the above-referenced case. The Associate Administrator for Pipeline Safety has decided to grant the petition. Your receipt of this decision constitutes proper service under 49 C.F.R. § 190.5.

Sincerely,

A handwritten signature in cursive script that reads "Gwendolyn M. Hill".

Gwendolyn M. Hill
Office of Pipeline Safety
Compliance Registry

Enclosure

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590

In the Matter of)

BP Amoco, Operator of Olympic Pipeline Company,)

Petitioner.)

CPF No. 59505-H

DECISION GRANTING PETITION FOR RECONSIDERATION

On June 18, 1999, pursuant to 49 U.S.C. § 60112, the Associate Administrator for Pipeline Safety issued a corrective action order declaring the Ferndale to Allen and Allen to Renton 16-inch segments of the Olympic Pipeline System hazardous to life, property, and the environment. The Associate Administrator amended the order on August 10, 1999, and again on September 24, 1999. (The corrective action order, as amended, is referred to as "the Order".)

Prior to July 1, 2000, Olympic was operated by the Equilon Pipeline Company. BP Amoco assumed operation and has accordingly been substituted as the Petitioner.

Section 20.a. of the Order required pressure testing of the Ferndale to Allen 16-inch segment in its entirety. On October 28, 1999, the management for the Olympic Pipeline System filed a petition for reconsideration¹ ("petition") to formally request relief from hydrotesting a small portion of the Ferndale to Allen 16-inch segment to 90 per cent of the specified minimum yield strength (SMYS). Specifically, Olympic requested relief from testing 2.5 miles of new pipe located between the Bayview Terminal and the tie-in point at the Allen Station, and additional 270 feet of original pipe in the same area, 170 feet between the tie-in point and the Allen Station fence and another 100 feet connected to the scraper trap within the station.

¹ Petitioner referred to its October 28, 1999 letter as a 'Petition for Relief' rather than a "Petition for Reconsideration."

Petitioner provided the following support for relief:

- 1) The 2.5 miles of new piping from the Bayview Terminal to the tie-in point was hydrotested prior to commissioning to a pressure of 1864 psi on 9/14/98. This 1864 minimum pressure was recorded at elevation 71', which is the high point of the test. All of this pipe has therefore already been tested above the 1825 psi required to achieve 90% SMYS.
- 2) The 170' and 100' sections of original pipeline described above were hydrotested after construction at approximately 1821 psi, which is 89.8% of SMYS. This pipe was manufactured by U.S. Steel, not Lone Star Steel. Approximately 66,085' of U.S. Steel pipe has been recently tested in the Ferndale to Bayview hydrotests without any failure.

In addition to those offered by Petitioner, several other factors are relevant to reaching a proper determination regarding this petition.

Since the petition was filed, Petitioner replaced approximately 114 of the 270 feet of the original construction pipe that is subject to this petition. The pipe replacement followed an Office of Pipeline Safety (OPS) review of records of construction and the 1997 internal inspection and OPS's identification of certain questionable welds on bends in this pipe. These replacement sections were hydrotested pursuant to OPS regulations in 49 C.F.R. Part 195. Although the test pressure was that required by the regulations rather than the higher pressure required by the Order, the pipe is new.

As noted by Petitioner, the 2.5 miles of new piping from the Bayview Terminal to the tie-in point was hydrotested upon installation in September 1998. The test pressure was 89.8% of SMYS, which is just below the level of 90% of SMYS specified in the Order.

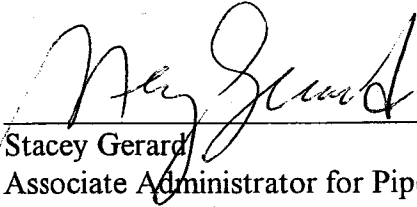
Only about 156 feet of original construction U.S. Steel pipe remains between the Allen Station fence and the tie-in point. Although constructed prior to 1970, U.S. Steel-manufactured pipe using high frequency welding methods is not the type of pre-1970 electric resistance welded pipe that has been prone to seam failures. There were no seam failures of such pipe during pressure testing required by the Order on the other portions of the Ferndale to Allen segment.

In addition, since the petition was filed, internal inspection of the entire Ferndale to Allen segment, including all pipe that is the subject of this petition, has been completed. This has included inspection using both a magnetic flux tool and a deformation tool. OPS has reviewed the data from the inspections of the portions of pipe subject to the petition. The data does not indicate any defects.

The pipe that is the subject of this petition is not located in close proximity to either densely populated or unusually environmentally sensitive areas. The pipe runs through rural pasture, farm land and open field. There is one house in close proximity to the pipeline, located approximately 200 feet away.

Safety would not be compromised by permitting Petitioner to forego hydrotesting at 90 % SMYS the small portion of pipe that is the subject of this petition.. Therefore, Petitioner's petition is granted.

This is the final administrative action regarding Petitioner's October 28, 1999 petition.



Stacey Gerard
Associate Administrator for Pipeline Safety

OCT 24 2000

Date Issued: _____