



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

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

MAY 18 2005

Bobby Talley
President
BP (NA) Olympic Pipe Line Company
2319 Lind Avenue SW, Suite 270
Renton, Washington 98055

Re: CPF No. 5-2003-5016

Dear Mr. Talley:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes a finding of violation and finds that you have completed the action specified in the Notice required to comply with the pipeline safety regulations. This case is now closed. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

James Reynolds
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

cc: Chris Hoidal, Director, Western Region, OPS
Kim West, Washington Utilities and Transportation Commission

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590

In the Matter of)	
)	
BP (NA) Olympic Pipe Line Company,)	CPF No. 5-2002-5002
)	
Respondent.)	

FINAL ORDER

On August 29 through October 3, 2002, pursuant to 49 U.S.C. § 60117, representatives of the Washington Utilities and Transportation Commission, as agent for the Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of Respondent's facilities and records throughout northern Washington. As a result of the inspection, the Director, Western Region, OPS, issued to Respondent, by letter dated June 4, 2003, a Notice of Probable Violation and Proposed Compliance Order. In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. § 195.432(b) and proposed that Respondent take action to correct the alleged violation.

Respondent responded to the Notice by letter dated June 9, 2003 (Response). Respondent provided information concerning the corrective action it has taken. By correspondence dated April 25, 2005, Respondent waived its opportunity for a hearing.

FINDING OF VIOLATION

Item 1 in the Notice alleged that Respondent violated 49 C.F.R. § 195.432(b) by failing to comply with settlement limits prescribed by API Standard 653 (incorporated by reference in § 195.432(b)). In its Response, Respondent contended that, with respect to breakout tanks with diameters less than 75 feet, the calculation specified for settlement differentials in API 653 is "known to be excessively conservative." However, while addressing its belief that the API standard was overly conservative, Respondent did not contest the allegation that it had failed to comply with the limits set by the standard. Accordingly, I find that Respondent violated 49 C.F.R. § 195.432(b).

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.


COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 1 in the Notice for violation of 49 C.F.R. § 195.432(b). Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under Chapter 601. The Regional Director has indicated that Respondent has performed further edge settlement analysis in accordance with API Standard 653 to comply with the proposed compliance order. Accordingly, since compliance has been achieved with respect to this violation, the compliance terms are not included in this Order.

WARNING ITEM

The Notice did not propose a civil penalty or corrective action for failing to address the gap between the ring wall and the chime and the extensive corrosion present on the chime of breakout tank T-116 at the Renton station (Item 2). Therefore, this is considered a warning item. Respondent is warned that if it does not take appropriate action to correct this Item, enforcement action will be taken if a subsequent inspection reveals a violation.

The terms and conditions of this Final Order are effective on receipt. This case is now closed.


Stacey Gerard
Associate Administrator
for Pipeline Safety

MAY 18 2005

Date Issued