

Washington State Citizens Committee on Pipeline Safety
Department of Ecology Spills Prevention, Preparedness and Response Program
Pipeline Oil Spill Contingency Plan and Drill Updates
3/7/2013

I am Scott Zimmerman from the Department of Ecology's Spills Prevention, Preparedness and Response Program. I oversee all of the Pipeline Oil Spill Contingency Plans and the development and revision of Inland Geographical Response Plans. Ecology's Spills Program is responsible for review and approval of Oil Spill Contingency Plans and oversight of oil spill drill requirements for pipelines here in Washington State.

Ecology tracks drill progress over a three year drill cycle. In each of the three years, plan holders are required to have one tabletop exercise and two deployment exercises each year. In one of the three years each planholder is required to hold a worst case drill.

Pipeline Oil Spill Contingency Plan and Drill Updates

Phillips 66 East Washington Pipeline Response Zone-Yellowstone Pipeline

- The Phillips 66 Company reorganized and ConocoPhillips Yellowstone Pipeline became Phillips 66 East Washington Pipeline Response Zone. The contingency plan is still in conditional approval. The plan is complete except for a finalized mutual aid agreement with Tidewater Barge Lines, allowing Phillips 66 access to Tidewater's response capability.

2013 Scheduled Drills:

- 03/14/2013: Deployment Drill - Moses Lake, WA.

Spills: None since last meeting.

Tidewater Terminal Company (Pasco Pipeline to BN depot)

- Tidewater Barge Lines bought the 4.2 mile long NuStar pipeline that runs from the Tidewater Terminal on the Snake River to the tanks at Burlington Northern Railroad Depot. This pipeline transports No. 2 diesel fuel for the Burlington Northern Railroad. Under their agreement, NuStar will continue to operate the pipeline for Tidewater, while Tidewater manages the change in ownership and gains operational control. Tidewater has submitted an addendum to their ICP (notification changes, etc.) which will remain in place until a comprehensive update of their ICP is completed by October 31, 2013. We will integrate the pipeline into Tidewater drills this year.

2013 Scheduled Drills: None at present.

Spills: None since last meeting.

Chevron Pipe Line Company

The Chevron Pipe Line is in the process of being sold. The sale is presently on hold, awaiting FTC approval. The buyer is purchasing rights to the Chevron plan and is making a number of required changes before they begin operation of the pipeline. They'll operate under the Chevron plan until it expires in 2014. The plan changes we are requiring include:

- Cover Letter with description of transition process.
- Binding agreement with new signator.
- Letters of intent/contracts with PRCs under new company name.
- Description of the new Spill Management Team.
- Notifications/Monitoring (who will be monitoring the pipeline, doing emergency shutdown, etc.)

Also:

- Chevron will remain in charge of operations for a period of time (likely 6-12 months) until the transition is complete and the buyers Operations Center is constructed.
- Most of the Pasco Chevron employees will remain there.
- Discussions about sufficient response equipment and mutual aid agreements are on-going.

2013 Scheduled Drills: None at present.

Spills: None since last meeting.

Olympic Pipe Line Company

- No updates to the Oil Spill Contingency Plan. Plan approved in January 2011 and due again in January of 2015.

2012 Scheduled Drills:

- *4/4/2013: Deployment Drill with GRP deployment.*
- *6/5/2013: Deployment Drill with GRP deployment -Central Area*

Spills: None since last meeting.

Kinder Morgan Canada Pipeline (TransMountain Pipeline)

- The Oil Spill Contingency Plan was approved in August of 2009 and expires in August 2014.
- They are now using two breakout tanks at Laurel Pump Station that they have not used in years. These tanks are 86,000 and 89,000 barrels in size and change the location and volume of the worst case discharge in their plan. They are presently working on plan amendments for this as well as for the new rule.

- Kinder Morgan is in the initial planning stages (5 to 7 years out) of a potential expansion to add pumping capacity at Laurel and a new pump station at Burlington to increase their capacity from 170,000 to 225,000 barrels per day delivered to refineries in Washington.
- Ecology has been invited to observe tank testing of oil sands oil in March. The tests are intended to help us understand the fate and effect of oil sands oil when spilled into the environment. The toxicity and potential sinking properties of this oil are not well understood.

2013 Scheduled Drills:

- 6/4/2013: Deployment Drill
- 9/17/2013: Table Top Drill - Bellingham, WA.
- 10/16/2013: Deployment Drill

Spills: None since last meeting.

U.S. Oil & Refining Company/McCord Pipeline

- Nothing new to report concerning their contingency plan.

2013 Scheduled Drills:

- 11/20/2013: Worse Case Table Top Drill

Spills: None since last meeting.

Rule Update

Ecology's Oil spill Contingency Planning Rule (Chapter 173-182 WAC) update was completed in December 2012. The changes to the rule focus primarily on requirements to regulated vessels but some changes are required to pipeline contingency plans. The following changes will require plan updates by July 14, 2013:

- A revised binding agreement that includes new language from the rule.
- A procedure that explains how each company will establish and manage oil spill liability claims including establishment and advertisement of process, and receipt, adjudication and payment of claims.
- Revised procedure that addresses notification requirements for spills to ground or containment that threaten waters of the state.
- Specific information on tanks, tank capacity and characteristics of oil(s) handled.
- Documentation that the plan holder has a contract with a Primary Response Contractor (PRC) that maintains resources and capabilities to respond to a spill of Group 5 oil, if the facility handles these oils.
- Changes that reflect revised planning standards for dispersants and for aerial surveillance.

Inland Geographic Response Plans

Geographic Response Plans (GRPs) are geographic-specific response plans for oil spills to water. They include response strategies tailored to a specific beach, shore, or waterway and are meant to minimize impact on sensitive resources threatened by the spill. Each GRP has two main priorities:

- To identify sensitive natural, cultural or significant economic resources.
- To describe and prioritize response strategies in an effort to minimize injury to sensitive natural, cultural, and certain economic resources at risk from oil spills.

Inland GRPs currently under development:

Columbia River, starting with the Lower Columbia 2012-2016

WRIA 7, 2013 (includes Snohomish, Skykomish, and Snoqualmie Rivers)

Lake Washington, 2013

Moses Lake, 2013

Conversion of spill control points in pipeline plans to published GRPs – this is an ongoing project to convert the control points in several of the pipeline plans into published GRPs. We are currently working on converting control points from the Olympic and Yellowstone plans into the WRIA 7 and Moses Lake GRP's.

Changes in Oil Movement – LNG projects

Ecology is monitoring recent and planned changes in how/what type of crude oil is being moved through this state. Shipping companies are proposing to convert to LNG in order to meet air emission control measures in the next few years. Washington is becoming an exporter of crude oil and LNG destined for Asian markets. Potential expansions of pipeline, rail, and vessel traffic will change the risk of spills and our efforts at being prepared. A work shop on the characteristics of diluted bitumen is being organized for April. This workshop will provide an opportunity for the response community to discuss appropriate response tactics for this type of oil, and how the planned expansion of delivery through pipelines and rail change the risk of spills in this state.

This concludes Ecology's update.