

State of California - State and Consumer Services Agency
STATE FIRE MARSHAL
7171 Bowling Drive, Suite 600
Sacramento, CA 95823

June 5, 1990

U.S. Department of Transportation
Research and Special Programs
Office of Pipeline Safety
Attn: Edward Ondak, Chief
Western Region
555 Zang Street, 2nd floor
Lakewood, CO 80228

Subject: Request for a waiver from Part 195.416(h) -
External Corrosion Control

Operator: Santa Fe Energy Resources, Inc.
12070 Telegraph Road
Santa Fe Springs, CA 90670
Telephone: (213) 944-0311

The above operator has requested a waiver from coating requirement of aboveground section of a 4-inch jurisdictional pipeline known as Sespe Crude Oil Pipeline. Instead of painting, the operator is proposing to inspect the exposed section (approximately 5000 feet) ultrasonically and visually every 6 months and to inspect its rights-of-way every two weeks.

The pipeline has a 4 1/2 inch outside diameter and is approximately 8 1/2 miles long. The pipe has a wall thickness of 0.188 inches (API-5Lx52). The starting point is in the Sespe area of Los Padres National Forest, Ventura County, in California and terminates at a tie-in to a Texaco 8-inch oil pipeline in the town of Fillmore, California.

The pipeline is mostly located outside the area of City of Fillmore (see attached pipeline map.) There is no aboveground uncoated portions located within the city limits. The operator has characterized the topography of the pipeline location and has explained the hardship created as a result of near inaccessibility.

Of the 8.3 miles of the pipeline, only about 5000 linear feet is aboveground and exposed to the atmosphere. The exposed part of the pipeline extends from the base of the mountain ridge at elevation about 650' to 1700'. The inclined slope often exceeds 50% with near vertical side canyon walls. The painting of the pipeline would require backpacking the scraping and painting equipment, and extensive removal of vegetation in the national forest.

The pipeline has been inspected by two separate firms recently. (See the attached reports). The results of such inspections indicate that the pipe wall thickness equals or exceeds the minimum design requirement of 0.188 inches. The ultrasonic inspection revealed that the exposed pipeline had no serious atmospheric corrosion over the last 20 years of operations.

We find the proposed waiver to be consistent with pipeline safety and is justified. Therefore, based on the evidence presented by the operator, attached inspection reports and absence of any serious atmospheric corrosion, we feel that Santa Fe Energy Resources Company should be granted the waiver from painting and coating their pipeline.

Subject to your approval, the Office of California State Fire Marshal proposes to grant the operator a waiver to take effect on August 15, 1990 from compliance with CFR Title 49 Part 195.416(h) under the following conditions.

1. That portion of the aboveground pipeline which is accessible such as those that cross streams shall be coated as per Part 195.416(h) if not already done.
2. Bi-annually ultrasonically and visually inspect the exposed line and submit each finding to the California State Fire Marshal's Office, Pipeline Safety Division.
3. Patrol the pipeline route periodically as required by Part 195.412 at intervals at least 26 times each calendar year not exceeding 3 weeks. Any external corrosion noted on the exposed pipe to be noted. Records of pipeline patrol will be subject to inspection by this office on a regular basis.

If you need further details or clarification please call our West Covina office at (818) 337-9999.

(signed)

JAMES WAIT
Acting Division Chief
Pipeline Safety Division

JW:CJS:mjh

Enclosure

For the first two attachments (two maps), see paper copy available in Office of Pipeline Safety file.

State of California - State and Consumer Services Agency
STATE FIRE MARSHAL
7171 Bowling Drive, Suite 600
Sacramento, CA 95823

October 29, 1990

George W. Tenley, Jr., Director
Office of Pipeline Safety
U.S. Department of Transportation
Research & Special Program Adm.
400 Seventh St., S.W.
Washington, D.C. 20590

REF: DOT Waiver Approval - Santa Fe Energy Resources, Inc.

We have written Santa Fe Energy Resources, Inc. indicating that their request for the waiver from coating requirements of their 8-inch Sespe crude oil pipeline had been granted. We stipulated to the operator the two additional conditions that must be met which you had required, i.e., 1) Ensure that ultrasonic measurements are made in the same locations each time and; 2) Line must be coated at locations where tests reveal that pipe wall thicknesses approach minimum design standards.

In the letter to the operator, we likewise established the effective date of the waiver to be December 19, 1990.

We appreciate your assistance on this matter.

(signed)

JAMES WAIT, Division Chief
Pipeline Safety Division

JS:APL:mjh

*3rd attachment to 06/05/90 letter to U.S. DOT
from California State Fire Marshall*

**PACIFIC
INSPECTION
COMPANY**

DATE: November 30, 1989

TO: Santa Fe Energy

WORK ORDER No.: 21966

LOCATION: Sespe

TYPE OF INSPECTION: Ultrasonic Inspection of 4 1/2" O.D., API 5L x 52 Seamless
Line Pipe with 0.188 Nominal Wall Thickness.

FIELD REPORT

<u>LOCATION OF ULTRASONIC MEASUREMENT</u>	<u>MINIMUM WALL THICKNESS</u>
Little Sespe Bridge North	0.201
Little Sespe Bridge South	0.199
150' North of Retifier	0.196/0.197
Bone Break "A"	0.193/0.197
150' South of Bone Break "A"	0.197
Jack Stand # 8	0.189
Jack Stand # 10	0.198

10-A	0.214
Jack Stand # 11	0.194
Jack Stand # 12	0.198
Jack Stand # 13	0.195
Jack Stand # 14	0.201
Jack Stand # 15	0.197
Jack Stand # 17	0.198
Jack Stand # 18	0.188

Serviced By: Ken B. Unit # 337

Pacific Inspection Company

*4th attachment to 06/05/90 letter to U.S. DOT
from California State Fire Marshall*

VECO American Services

A DIVISION OF
SOUTHWEST VECO, INC.

Phone (805) 488-6500

FAX (805) 488-2002

February 14, 1990

SANTA FE ENERGY COMPANY
170 E. Telegraph Road
Fillmore, CA 93105

Attention: Brad Standley

Subject: External Corrosion Inspection of 4" Crude Oil Sespe Pipeline

Dear Mr. Standley:

Per your direction, VECO American Services performed a visual, external corrosion evaluation of the above referenced line on January 9, 1990.

We walked the entire run of the line (approximately 1.2 miles) starting at the tank setting to its termination point at the creek.

The overall condition of the line is excellent, we did not see any areas displaying any significant corrosion problems. In addition to inspecting the exposed surface areas, interfaces at pipe stands and some of the areas where the line was covered by slides, was dug-out and inspected for corrosion and/or mechanical damage.

We hope this information satisfies your request. If we can answer any questions or be of any further assistance please don't hesitate to call.

Sincerely,

VELCO AMERICAN SERVICES

(signed)
Mark Lochridge
Sales Representative

U.S. Department
of Transportation
**Research and
Special Programs
Administration**

Date: July 17, 1990 Reply to Attn. of:
Subject: ACTION: California Fire Marshal Waiver Request
From: Edward J. Ondak, Chief, Western Region, DPS-28
To: Cesar DeLeon, Assistant Director for Regulations, DPS-10

The attached material was sent to this office by the California State Fire Marshal's (CSFM) office requesting the Office of Pipeline Safety's approval to grant a waiver to Santa Fe Energy Resources, Inc.

During a recent audit of the CSFM, I investigated this request and agree with the logic. I am submitting this package for your action and requesting that you grant the waiver as outlined in the CSFM's letter.

Attachments

11/19/90

Waiver -- Santa Fe Energy Resources, Inc.

Judith S. Kaleta (*initialed*)

George W. Tenley, Jr. (*initialed*)

I have reviewed the attached letter to James Wait which was sent to the Office of the Chief Counsel for concurrence and have the following comments:

1. Section 203 (h) of the Hazardous Liquid Pipeline Safety Act (HLPESA), 49 U.S.C. ????, states that the Secretary may waive compliance with any standard if he determines that a waiver "is not inconsistent with pipeline safety. The Secretary shall state his reasons for any such waiver." However, a State agency may waive compliance with a standard in the same manner and to the same extent as the Secretary, if there is in effect a 205(a) certification or a 205(b) agreement, after giving the Secretary a sixty day notice. I assume there is either a certification or an agreement with California in effect. California has found that the waiver is consistent with public safety and has stated the reasons for the waiver (page 2, June 5 letter). The HLPESA does not require the Secretary to take any additional action. However, in response to California's letter, we should refer to the HLPESA and acknowledge that California has met all the requirements of the statute, before we state that we have no objections.

2. Note that James Wait is no longer the Acting Division Chief, but signs his letter of October 29, 1990, as Division Chief. Our response and the envelope should be corrected.

November 26, 1990

Mr. James Wait
Division Chief
Pipeline Safety Division
California State Fire Marshal
7171 Bowling Drive, Suite 600
Sacramento, CA 95823

Dear Mr. Wait:

Your letter of October 29, 1990 describes your approval of an application by Santa Fe Energy Resources, Inc. for a waiver of the coating requirements of 49 CFR 195.416(h). The application covers a 5,000-foot exposed section of the 4-inch Sespe Crude Oil Pipeline near Fillmore, California.

The conditions you stipulate in the waiver are not inconsistent with pipeline safety. For this reason and because California has met the applicable provisions of the Hazardous Liquid Pipeline Safety Act of 1979 in granting the waiver, we offer no objection to its approval.

Sincerely,

*Original signed by
Richard L. Beam*

George W. Tenley, Jr.
Associate Administrator
for Pipeline Safety

cc:

DPS-1/2/10/11/20/28; DCC-1
DPS-11:JWillcock
FILE: California State Waiver File