



**Marathon  
Pipe Line LLC**

# 15<sup>th</sup> Annual Great Lakes Water Conference

November 6, 2015

Panel 2: PIPELINES

Greg Smith, Senior Counsel

Marathon Petroleum Company LP

- Economy
- Liquids Pipeline Transportation
- Liquids Pipeline Safety
- Operations
- Inspections / Integrity Management
- 811 – Call Before You Dig
- “Earning Your Trust” Campaign
- PHMSA Inspections

- Oil and natural gas supply more than 60 percent of the energy needs in the U.S.
- Oil is used in the development of products such as dent-resistant car fenders, soft drink bottles, synthetic fabrics, pharmaceuticals, fertilizers, sporting goods and toys.
- The Great Lakes-St. Lawrence River region is particularly dependent on petroleum products because of the makeup of the regional industry and business mix.
- A coordinated network of refineries, pipelines, terminals, barges and vessels in the Great Lakes-St. Lawrence River region operates 24 hours a day, 365 days a year.

Source: *Issues and Trends Surrounding the Movement of Crude Oil in the Great Lakes-St. Lawrence River Region*, Great Lakes Commission (Feb. 2015)

- Pipeline operators delivered 14.9 billion barrels (625.8 billion gallons) of crude oil and petroleum products by interstate pipeline in 2013. \*
- Pipeline operators operated 192,396 miles of pipeline in 2013. \*
- 70% of crude oil and petroleum products were transported by pipeline in 2013. \*\*
- More oil is transported through the Great Lakes-St. Lawrence River basin by pipeline than by any other mode. \*\*\*

\* Source: 2015 *Annual Liquids Pipeline Safety Performance Report & Strategic Plan*, API-AOPL

\*\* Source: *Michigan Petroleum Pipeline Task Force Report* (July 2015)

\*\*\* Source: *Issues and Trends Surrounding the Movement of Crude Oil in the Great Lakes-St. Lawrence River Region*, Great Lakes Commission (Feb. 2015)



- Crude oil and petroleum products reached their destination safely by pipeline more than 99% of the time in 2013.
- From 1999 to 2013:
  - Pipeline releases along pipeline rights of way are down 50%;
  - Third-party caused damage to pipelines is down 78%; and
  - Corrosion as a cause of releases from pipelines is down 76%.
- Pipeline operators inspected 47,089 miles of their pipelines with “smart-pig” in-line inspection tools in 2013.
- Pipeline operators spent more than \$2.1 billion on integrity management in 2013 evaluating, inspecting and maintaining pipeline infrastructure.

Source: 2015 Annual Liquids Pipeline Safety Performance Report & Strategic Plan, API-AOPL

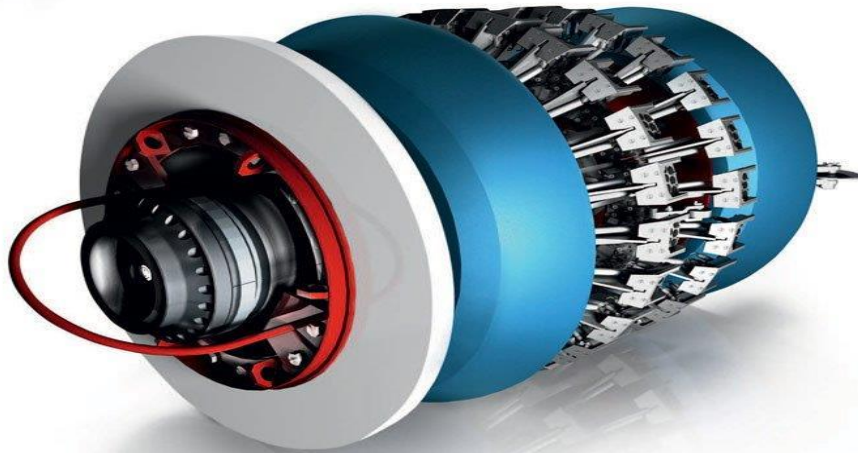
- MPL operates 6,000 miles of pipeline in 14 states.
- MPL transports crude oil, refined petroleum products and refinery feed stocks to and from terminals, refineries and other pipelines.
- In 2014, MPL delivered approximately 2.1 million barrels of crude oil and petroleum products daily through its common carrier pipelines.
- High-speed computers, constantly evolving technology, and satellite communications enable MPL to monitor and control its many pipeline systems throughout the U.S. from a single control center in Northwest Ohio.



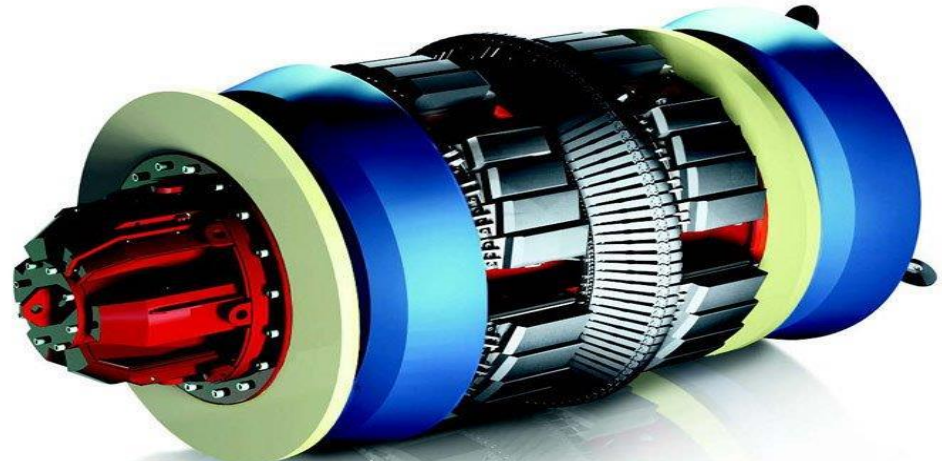
- “Stop-Help-Start”
- MPL’s control room process for responding to abnormal pipeline operating conditions.
- It focuses on a disciplined investigation method of first taking the asset to safety, then collecting and analyzing data, and finally resolving the condition.



- MPL utilizes in-line inspection (ILI) tools called “smart pigs” to assess pipeline integrity.



Ultrasonic Wall Measurement / UTWM

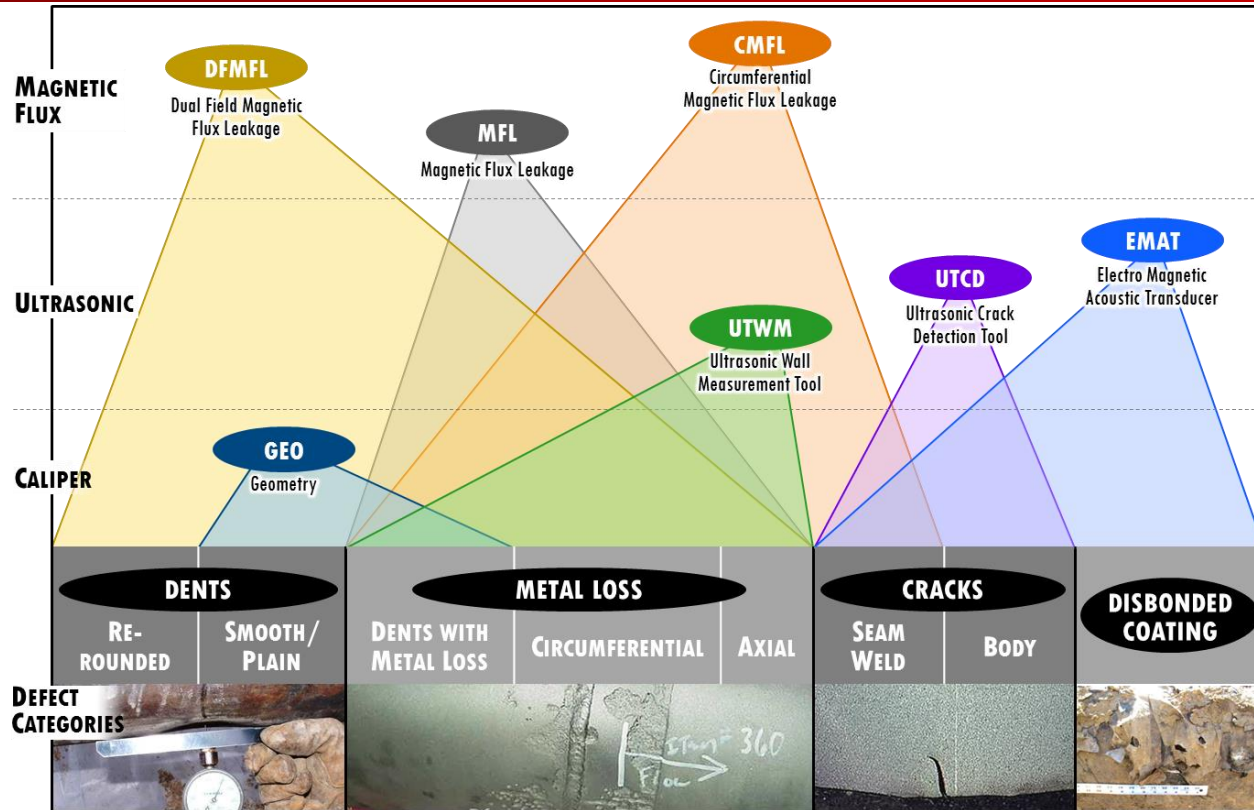


Magnetic Flux Leakage / MFL



# Inspections / Integrity Management

## MPL Uses Multiple ILI Tools to Find Defects and Overlapping Defects



# 811 – Call Before You Dig



- 811 is the federally-mandated national "Call Before You Dig" phone number.
- It was created to help protect landowners and their contractors from unintentionally hitting underground utility lines while working on digging projects.
- National 811 Day – August 11 every year
- It is a valuable resource in preventing 3<sup>rd</sup> party damage to our pipelines.



# “Earning Your Trust” Campaign



- MPL’s campaign to reach out to Landowners, Communities, Schools and Emergency Responders.
- Provides MPL employees and contactors with a consistent message when communicating with these four stakeholders.
- Part of our effort to enlist landowners and communities to join us as guardians of our pipelines.



- Communication Campaign

- MPL is piloting a mailing campaign in 2015 with full roll-out in 2016. The campaign will run for five years and will include more frequent contact with landowners and work toward earning their trust while building strong relationships.

- 811 Day at the Park

- August 11, 2015, MPL hosted over 450 landowners at a picnic and baseball game in 3 different regions.



# Communities



- Each MPL operations area gets \$800 to donate to a charity of their choice.
- MPL encourages employees to be involved in the communities where we operate.





- Over the next 3 years, MPL will meet with the principals of all the schools located within 1000 feet of our pipeline.
- A local emergency responder will be invited to the meeting.
- The discussion will include the school's emergency response plan.





# Emergency Responders



- Liaison Program – MPL will meet with local emergency responders to identify prevention and response steps related to pipeline emergencies.
- First Responder Grants – MPL will provide grants to local first responders so they can attend training sessions or acquire new equipment.



- PHMSA Integrated Inspections

- Comprehensive, multi-week inspection of a pipeline system:
  - Review procedures and records,
  - Interview subject matter experts,
  - Observe execution of operational tasks,
  - Perform field inspections of facilities and right of ways.

- PHMSA Control Room Inspection

- Comprehensive review of Control Room Management Plan
  - Operating procedures
  - Roles/responsibilities
  - Alarm management
  - Fatigue management

- All pipeline systems MPL operates (including in the Great Lakes Basin) and MPL's Control Room have been inspected by PHMSA within the last 2 years.



Questions?