

Longhorn Mitigation Plan  
Commitment Implementation Status Report  
Annual - 2011

Mitigation Item No.	Description	Timing	Status of Commitment Implementation
38	Longhorn shall submit periodic reports to DOT/OPS that will include information about the status of mitigation commitment implementation, the character of interim developments as relate to mitigation commitments, and the results of mitigation-related studies and analyses. The reports shall also summarize developments related to its Operational Reliability Assessment ("ORA"). The quarterly reports shall be made available to the public.	Quarterly during the first two years of system operation and annually thereafter for the operational life of the pipeline system.	This report covers the 2011 annual reporting period. This report addresses mitigation commitments that either begin with, or extend beyond startup and have not had a Completion Report submitted to PHMSA/OPS. System startup occurred January 27, 2005.
10	Longhorn shall, following the use of sizing and (where appropriate) geometry tools, perform an in-line inspection ("ILI") of the existing pipeline (Valve J-1 to Crane) with a transverse field magnetic flux inspection ("TFI") tool and remediate any problems identified. See the Longhorn Pipeline System Integrity Plan ("LPSIP") at Section 3.5.2 and the ORA at Section 4.0	At such intervals as are established by the ORA, provided that an inspection shall be performed no more than 3 years after system startup in Tier II and III areas.	This commitment has been met.
12	Longhorn shall, following the use of sizing and (where appropriate) geometry tools, perform an in-line inspection of the existing pipeline (Valve J-1 to Crane) with an ultrasonic wall measurement tool (UT Tool) and remediate any problems identified. See the LPSIP at Section 3.5.2 and the ORA at Section 4.0.	At such intervals as are established by the ORA, provided that an inspection shall be performed no more than 5 years after system startup.	An ultrasonic (UT) in-line inspection tool was run from Warda to Crane, for the first time, to check for laminations and other defects in the pipe wall as required by Mitigation Commitment #12. This required significant cleaning of the line prior to inspection. This completed the UT inspection from Galena Park to Crane per the LMP commitment (the first 2 segments were completed in 2009). Analysis of the UT ILI tool revealed that wall laminations resulting in blisters is not an integrity concern with the Longhorn pipeline.
13	Longhorn shall install an enhanced leak detection and control system which will include a transient model based leak detection system utilizing 9 meter stations (6 clamp on meters and 3 turbine meters). Additionally, a leak detection system will be installed over the Edwards Aquifer Recharge Zone and the Slaughter Creek watershed in the Edwards Aquifer Contributing Zone that will detect a leak of extremely minute volume in twelve (12) to one hundred twenty (120) minutes from contact, depending upon the product sensed by the system. That leak detection system will be a buried hydrocarbon sensing cable system designed to meet the leak detection performance specifications described in the preceding sentence. The pipeline system is designed to achieve emergency shutdown within 5 minutes of a probable leak indication. See Mitigation Item 13.	System installation prior to startup and system operational within 6 months of startup.	The enhanced leak detection systems were installed prior to system startup as specified in the LMP. Additional system enhancements and fine tuning of the model have increased the leak detection sensitivities to under 1% of flow detected within one hour, and one half hour. Analyses of all operational data and activities are conducted, and the sensitivities are measured and evaluated bi-monthly. The leak detection capabilities are periodically tested and demonstrated in conjunction with the Longhorn ILI activities.
19	Longhorn has performed studies evaluating each of the following matters along the pipeline, and shall implement the recommendations of such studies. See Mitigation Item 19.		
19b	Scour, erosion and flood potential.	Periodically after startup. (Scheduled inspections occur at various water crossings at 6 month and 5 year intervals. Inspections also occur after certain flood events).	The 6 month periodic inspections were completed in January and June 2011.
19d	Ground movement, subsidence and aseismic faulting	Periodically after startup. (The study recommended surveys to be performed every 6 months).	Monitoring was completed in June and December of 2011. The conclusions from the technical report state "With 6 1/2 years of data we attempted to measure the actual fault movement over time by calculating best fit trend lines. The trend lines show no measurable movement on the Melde and Breen faults, with only slight movement of 0.05 inch (1.3 mm) over 6 1/2 years for the Akron fault and -0.06 inch (-1.5 mm) over 6 1/2 years for the Hockley fault."
19e	Landslide potential.	Periodically after startup. (The study recommended surveys to be performed every 5 years).	A photogrammetry survey was completed in June 2005. The 2010 photogrammetry survey was completed in December of 2010. The next survey is slated for 2015.

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25	Longhorn shall develop enhanced public education/damage prevention programs to, inter alia (a) ensure awareness among contractors and potentially affected public, (b) promote cooperation in protecting the pipeline and (c) to provide information to potentially affected communities with regard to detection of and responses to well water contamination. See the LPSIP Section 3.5.4 See Mitigation Appendix, Item 25.	Continuously after startup.	Execution of the public awareness program for Longhorn was implemented as required by the LMP. An annual mailout was conducted for residents and other establishments within 2 miles of the pipeline in rural areas, and ¼ mile of the pipeline in metropolitan areas. A supplemental mailout was sent to all parties involved in unauthorized encroachments. Door-to-door visits and doorhangers were conducted at 3,473 locations adjacent to the ROW from Harris to Bastrop counties. The same program will be conducted in 2012 from Travis to El Paso counties. Longhorn continues to operate a school outreach program targeted at 4th and 5th grade students.
31	Longhorn shall perform a surge pressure analysis prior to any increase in the pumping capacity above those rates for which analyses have been performed or any other change which has the capability to change the surge pressures in the system. Longhorn will be required to submit mitigation measures acceptable to DOT/OPS prior to any such change in the system, which mitigation measures will adequately address any MASP problems on the system identified by the surge pressure analysis.	Prior to any change in the system that has the capability to cause surge pressures to occur on the system	We completed the surge analysis for the delivery from Galena Park C-Yard to El Paso via the Holland Avenue Connection. The analysis indicates that no additional or modified overpressure protection measures are required.
32	Longhorn shall perform pipe-to-soil potential surveys semi-annually over sensitive and hypersensitive areas (which is twice the frequency required by DOT regulations - 49 C.F.R. 195.416) and corrective measures will be implemented, as necessary, where indicated by the surveys. See LPSIP Section 3.5.1.	No more than six months after startup and semi-annually thereafter.	Semi-annual pipe-to-soil potential surveys for 2011 have been completed.
36	Longhorn shall prepare site-specific environmental studies for each new pump station planned for construction. These studies shall be responsive to National Environmental Policy Act requirements as supplements to the Environmental Assessment of the Proposed Longhorn Pipeline System. For each such pump station, Longhorn shall submit the site-specific environmental study to the U.S. Department of Transportation no less than 180 days prior to commencement of construction.	Prior to construction of any new pump station.	The new pump stations associated with the Phase II of the Longhorn Reversal Project have undergone a NEPA assessment and each are included in the Draft Environmental Assessment of the Longhorn Pipeline Reversal Project. Phase II is not a currently funded Magellan Project. These locations are tentative pending funding and EA approval (FONSI).
<b>Lower Colorado River Authority (LCRA) Settlement Agreement</b>			
	Addition to Longhorn Mitigation Item 3: Longhorn will replace approximately six miles of existing pipeline in the Pedernales River watershed that is characterized as having a time of travel for a spill from Lake Travis of eight hours or less. Pipeline segments having this characteristic are approximately as follows: Segment 1 - 9968+64 to 10057+00, Segment 2 - 10107+00 to 10142+00, Segment 3 - 10179+00 to 10209+00, Segment 4 - 10275+00 to 10375+00, and Segment 5 - 10459+00 to 10509+00. Segment 5 crossing the Pedernales River will be completed prior to the date of pipeline startup. Horizontal directional drill construction methods will be used to install the section of pipe under the Pedernales River. Segments 1 through 4 will be replaced as determined by the LPSIP and ORA, but in any case no later than seven years from the startup date.	Prior to startup for Segment 5 and as determined by the ORA for Segments 1 through 4 but no later than 7 years from startup.	Segments 1 through 4 were replaced in 2011. This commitment has been completed.
	Item 6: Full scale drill during storm conditions when flows for the Pedernales River at the Johnson City gauge approach or exceed approximately 5,000 cfs.	Three drills within the first 5 years after system startup, with the first drill occurring after the first 6 months following system startup.	This commitment has been met.
3a	Plans and specifications sealed by a professional engineer in Texas that details modifications necessary to public water systems that are regulated by TNRCC (or any successor agency) that take water from Lake Travis. Resealing should occur once every five years. Last resealed in December 2007. Next update: December 2012	Once every 5 years	Last resealed in December 2007. Next update: December 2012.

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	Describe any emergency drills and results from those drills within the Colorado River basin (City of Austin, Pedernales River watershed and Bastrop County) during this reporting period.	Annually	On November 8, Magellan conducted a combination functional and tabletop exercise in Austin. The exercise scenario involved a pipeline release inside the City of Austin at approximately milepost 166 which impacted Onion Creek. Exercise attendees included Magellan personnel, TAS (Spill Contractor), City of Austin Water District and the City of Austin Fire Department.
	Describe any maintenance, inspections, smart pigging, repairs, upgrades to the pipeline within the Colorado River basin (City of Austin, Pedernales River watershed and Bastrop County) during this reporting period. Colorado River Basin identified as MP 94.45 to MP 426.8 which includes ILI segments of Satsuma to Warda (last 18.5 miles), Warda to Cedar Valley, Cedar Valley to Eckert, Eckert to Ft. McKavett, and Ft. McKavett to Crane (first 102 miles)	Annually	In 2011 there were 95 digs completed in the Colorado River basin related to 2009 and 2010 Ultrasonic Wall Measurement In-Line Inspections. Additionally 121 feet of pipe was replaced under Ranch Road 2596 at Milepost 341.6.
<b>Operational Reliability Assessment</b>			
	The ORA will provide Longhorn with an annual technical assessment of the actual effectiveness of the overall LPSIP. The ORA will provide feedback on the adequacy, frequency, and additional element criteria of the evaluation plan, which includes use of internal inspection devices, hydrotests, and other mechanical integrity assessment and confirming processes and technologies. The ORA results will be factored back into the LPSIP and will be integrated into the ongoing program.	Annually, or per event as defined in LMP	OPS approved Kiefner and Associates, Inc., as the independent, third-party ORA contractor. The Summary Report of the 2010 ORA Developments has been posted to the Magellan Midstream Partners website at <a href="http://www.magellanlp.com">www.magellanlp.com</a> under the "Longhorn Pipeline Assets" tab. The 2011 Annual ORA report will be submitted to PHMSA in 2012 once complete.
<b>Longhorn Pipeline System Integrity Plan</b>			
	The LPSIP consists of certain specific "Process Elements." The descriptions and program attributes of the Process Elements reflect action "over and above" those specified and required under various regulations and statutes, such as DOT's Title 49 C.F.R. Part 195.  Implementation of the "Process Elements" will ensure that Longhorn will effectively identify, analyze, and responsibly manage the most important threats to and risk of the Longhorn Pipeline System.	Continuously - Operations Annually - Self Audit	The 2010 LPSIP Annual Self-Audit was provided to PHMSA and is available to the public on the Magellan Midstream Partners website at <a href="http://www.magellanlp.com">www.magellanlp.com</a> under the "Longhorn Pipeline Assets" tab. The 2011 Self Audit is scheduled for completion and submittal to DOT/OPS in 2012 once complete.
<b>Relative Risk Assessment Model</b>			
	The Relative Risk Assessment Model (Model) is designed to automatically prioritize and sort pipeline segments in accordance with their scored relative risk in relation to all other segments. Changes in the surrounding population, the environment, or mechanical attributes of the pipeline are updated in the model as new information is available and the Model is rerun.	Annually, or per event as defined in LMP	The Model is updated periodically as new data becomes available.