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EXON COMPANY, U.S.A.

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MARKETING DEPARTMENT EASTERN REGION

I.S. GLIEN Distribution & Engineering Manager Distribution & Engineering

C.J. WOLFORD OPERATIONS MANAGERS

February 9, 1983

Mr. J. S. Olsen

MKTG D&E ENGINEERING FEB 16 '83 100 8 -23 1 1 8

- avestis = = zlk UNDERGROUND TANK FAILURE REPORT 1982 YEAR-END SUMMARY

Attached is the December 1982 Tank Failure Report. Leaking tanks were detected at (7) facilities in December bringing the Region year-end total to (159). Of this total, corrective actions included (44) tankfield replacements, (28) interior linings, and (46) miscellaneous repairs. Additionally, (31) locations became buy-out/disassociations, while (10) locations remain pending a buyout decision. Total appropriations associated with the (149) resolved leakers amount to \$2,667.2 M. This figure does not include the \$630 M spent on tank testing.

Attachment II graphically compares the leaker incidence rates for the past three years. The 1982 total of (159) leakers represents a 35% decrease from the (246) leakers experienced in 1981 and a 15% decrease from the (187) leakers detected in 1980. The significant decline in the 1982 leaker total corresponds directly to the drop-off in the number of tank tests performed in 1982 versus the two previous years (see Tank Testing data - bottom of Attachment I). The (399) tank tests conducted in 1980 were mostly discretionary (i.e. performed in conjunction with Underground Tank Program Vapor Recovery work). This type of testing continued throughout 1981, with additional testing requirements added by the Inventory Verification Program. Tank test failures resulting from the heavy influx of IVP reports in the second half of the year explain the sharp increase in leakers during the final quarter of 1981. The combination of the curtailment of discretionary testing early in 1982 and a marked decrease in the number of tank tests required by the 1982 Inventory Verification Program accounts for the relatively small number of tests performed in 1982 and correspondingly, the lower number of leakers.

While fewer tank tests were conducted during the past year, the failure rate increased from 27% and 31% in 1980 and 1981 respectively to 38% in 1982. This increase is encouraging since it reflects a higher degree of selectivity amount the locations being tested (i.e. improved quality of Inventory Verification Program reports).

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DEPOSITION **EXHIBIT** LAB Finally, Attachment III illustrates the leaker Method of Detection for 1980-1982 as well as the breakdown of Corrective Actions. The Method of Detection bar graph further emphasizes the shift from Underground Tank Program (discretionary) tank testing to Inventory Verification Program testing discussed above. Since no discretionary testing is proposed for 1983 and since each location in the Region has been IVP'd at least once, the number of leakers detected should continue to decline this year.

RD Reid

R. B. REID

Attachments

cc: Mr. W. E. Gattis
Mr. W. H. Cash, III
Mr. B. E. McLeod, Jr.
Mr. D. L. Thibodeau
Mr. R. E. Nicolay
Mr. S. D. Curran
Mr. A. L. Decker
Mr. A. L. Lunsford, III
Mr. R. M. Wuslich
Mr. R. M. Wuslich
Mr. R. L. Bailey
Mr. I. L. Hand
Mr. R. E. Klein
Mr. D. E. Manger
Mr. A. T. Foley
Mr. R. J. Baker
Ms. J. R. Hykel
Mr. J. L. Lyon
Mr. D. M. Tusing

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ATTACHMENT I

TANK FAILURE REPORT

YEAR END 1982

	NUMBER OF LOCATIONS WITH LEAKING TANKS				TOTAL SM APPROPRIATED FOR CORRECTIVE ACTIONS	
DISTRICT	DEC. 1982	DEC. 1981	YTD 1982	YTD 1981	CAPITAL	EXPENSE
BALTIMORE	3	12	27	52	427.1	171.9
CHARLESTON	2	4	30	21	392.2	134.5
PHILADELPHIA	1	7	27	74	374.4	121.0
PITTSBURGE	0	2	15	21	213.8	58.3
RICHMOND	0	2	32	33	215.4	70.2
WASHINGTON	1	4	21	43	281.4	93.8
COSP	0	0	7	2	109.7	3.5
TOTAL	7	31	159	246	2,014.0	653.2

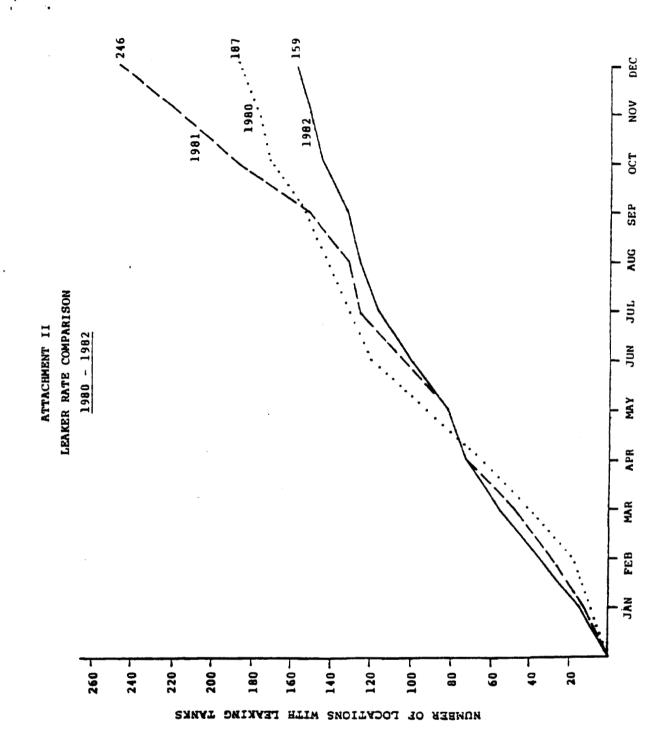
TANK TESTING - YEAR-END	TOTAL LOC	CATIONS T	STED
	1982	<u>1981</u>	1980
TESTS PERFORMED	317	688	399
LEAKERS DETECTED	120	210	107
FAILURE RATE	381	31%	278



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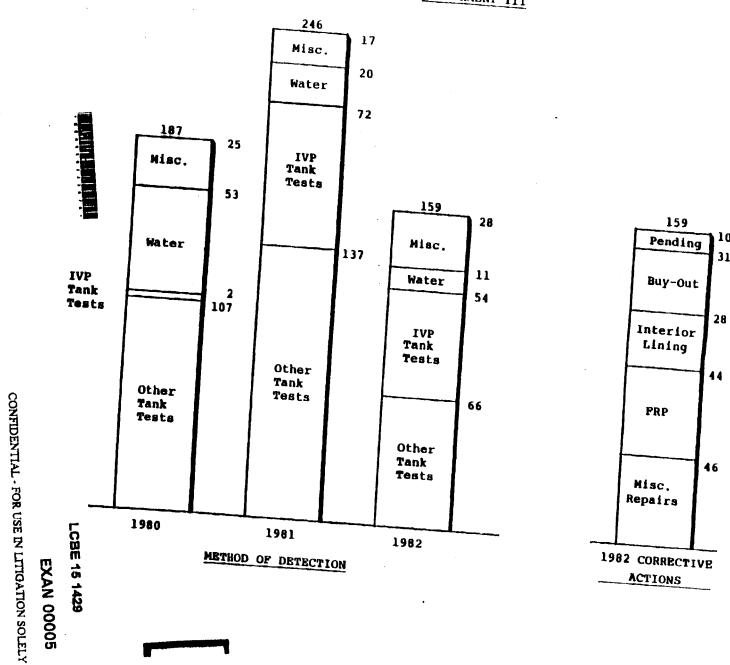
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