

December 23, 2004

Don Larue
General Manager
Agrium U.S. Inc.
PO Box 5797
Kennewick, WA 99336-0618

Dear Mr. Larue:

Subject: 2004 Operator Qualification Inspection

On December 14, 2004, Pipeline Safety staff (Staff) representing the Washington Utilities and Transportation Commission, conducted an inspection of Agrium's Operator Qualification Program (OQ).

The review of Agrium's OQ Plan, practices, and documentation did not identify any violations of CFR 49, Part 192 or Part 195. It is not to be assumed that this inspection detected all apparent code violations at this time. It is incumbent upon the operator to review its operations to determine whether or not there are other areas of non-compliance.

Please contact Patti Johnson at (360) 664-1266 or (360) 870-4915 for technical assistance or questions. Thank you for your cooperation and interest in pipeline safety.

Sincerely,

Alan E. Rathbun
Pipeline Safety Director

The Washington Utilities and Transportation Commission (Commission) has the authority to enforce the minimum safety regulations per Chapter 480-75 of the Washington Administrative Code (WAC) pertaining to the construction, maintenance and operation of pipelines transporting hazardous liquid in the state of Washington. In addition, the Commission adopts the Code of Federal Regulations (CFR) Title 49, Part 192 and 195.