



U.S. Department
Of Transportation
Pipeline and
Hazardous Materials
Safety Administration

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West Trenton, NJ 08628
609.989.2171

**NOTICE OF PROBABLE VIOLATION
PROPOSED CIVIL PENALTY
and
PROPOSED COMPLIANCE ORDER**

FEDEX OVERNIGHT DELIVERY

August 14, 2009

Mr. David A. Justin
Vice President, Operations
Sunoco Pipeline, L.P.
525 Fritztown Road
Sinking Spring, PA 19608

CPF 1-2009-5003

Dear Mr. Justin:

On November 25-26, 2008, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code conducted an investigation into the reported Sunoco Pipeline, L.P. (Sun) incident NRC-890993 that occurred in Murrysville, PA on November 25, 2008.

On November 25, 2008, two Sun employees were installing a completion plug into a 2" thread-o-ring fitting on the upstream side of an above ground mainline valve, on the 8" Montello to Pittsburgh line, located in Murrysville, PA. The completion plug was being set using a TDW T-101a drilling machine. Shortly after the employees installed the plug and removed the machine, the completion plug blew out of the fitting. A total of 280 barrels of gasoline was released into the local environment and nearby Turtle Creek. A total of 111 barrels was recovered. The

incident resulted in numerous evacuations of homes and businesses in the immediate area and the temporary closure of US Route 22.

As a result of the investigation, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation(s) are:

1. 195.402 Procedural Manual for operations, maintenance, and emergencies.

(a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies....

The operator's procedure manual for operations, maintenance, and emergencies does not contain written procedures for personnel installing completion plugs.

The operator was unable to provide a written procedure to show compliance with Section 195.402(a) of the code. Section 195.402(a) of the code requires each operator to prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. The operator stated that they require personnel to follow the manufacturer's procedures for the setting of completion plugs. However, the operator could not produce a written procedure from their O&M manual outlining this requirement. If the operator chooses to utilize the manufacturer's procedures, specific industry standards, or other manuals, these documents must be referenced in the O&M manual to provide guidance to individuals performing a particular O&M or emergency function.

2. 195.402 Procedural Manual for operations, maintenance, and emergencies.

(a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies....

The operator failed to **follow** the manufacturer's procedures for the installation of completion plugs on Sun's pipeline system in Murrysville, PA.

The operator failed to accurately administer the manufacturer's procedures during the installation of the completion plug as outlined under Section III of the manufacturer's T-101a Operating and Maintenance Instruction manual. During the installation process, operating personnel failed to properly calculate the correct travel distance as required under section 2.2 of the TDW manual. This calculation is necessary to determine the distance the completion plug travels to ensure the plug is completely set and secure in the thread-o-ring fitting. There is a warning outlined under Section 2.4 D of the TDW manual that states, "*If the measurements taken in paragraph 2.2 cannot be attained, do not assume plug is set. Do not remove valve. Thread-o-ring is not*

completely set. Follow removal instructions, check all work including measurements, and reset.”

3. §195.505(a) Qualification program.

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(a) Identify covered tasks....

The operator failed to identify the “installation of completion plugs” as a covered task under the operator’s JPM method for Operator Qualification.

During the investigation, the operator stated that there are two different methods that can be used to qualify an individual to perform a covered task. The first method that can be used is the Job Performance Measure (“JPM”). The JPM is an in-house process that consists of a reviewer (usually a supervisor) and a list of task specific requirements/questions that the qualifying individual completes to demonstrate their ability to perform a specific covered task. The second method that can be utilized is the NCCER assessment method. The NCCER method is a computer based qualification system consisting of computer based modules and written exams. During the November 2008 investigation, a discrepancy was identified between the two methods to qualify an individual to install completion plugs.

Under the NCCER method of qualification, completion plugs are addressed under task 40.91 (Plugging the pipeline with the lock-o-ring completion plug). According to a cross reference spread sheet provided by the operator, the NCCER task 40.91 is equivalent to the operators JPM task 482. However, the operators JPM methods, JPM-OQP-482-001 Rev 1 and JPM-OQP-482-002 Rev 0 apply specifically to “hot taps” and do not address any of the requirements for installing completion plugs as outlined in Section III of the TDW Operation and Maintenance Manual. In addition, none of the other covered tasks under the JPM method of qualification address completion plugs. Therefore, based on this evidence, the operator has failed to properly identify “completion plugs” as a covered task under the JPM method of qualification.

4. §195.505(b) Qualification program.

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(b) Ensure through evaluation that individuals performing covered tasks are qualified....

The operator failed to ensure through a proper evaluation, that Employee B was qualified to perform the covered task of “Plugging the pipeline with the lock-o-ring completion plug” as outlined under NCCER/API covered task 40.91.

Based on the information collected during the investigation, Employee B was last qualified under the operator's JPM 482 (001,002) on March 27, 2007. However, the performance measures outlined in JPM 482(001, 002) only apply to "hot tapping" and do not cover any of the specific details pertaining to completion plugs as outlined in TDW Operating and Maintenance Instructions, Section III. Therefore, Employee B was not properly qualified to perform this particular O&M function.

5. §195.505(h) Qualification program.

(h) After December 16, 2004, provide training, as appropriate, to ensure that individuals performing covered tasks have the necessary knowledge and skills to perform the tasks in a manner that ensures the safe operation of pipeline facilities...

The operator failed to provide training as required under Section 195.505(h) of the code to ensure that the individuals installing completion plugs on the pipeline had the necessary knowledge and skills to perform the task in a manner that ensures the safe operation of the pipeline. The operator was unable to provide any documentation to demonstrate that Employees A or B received training as outlined under 195.505(h) of the code.

Proposed Civil Penalty

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any related series of violations. The Compliance Officer has reviewed the circumstances and supporting documentation involved in the above probable violation(s) and has recommended that you be preliminarily assessed a civil penalty of \$232,900 as follows:

<u>Item number</u>	<u>PENALTY</u>
1	\$ 32,900
2	\$100,000
5	\$100,000

Proposed Compliance Order

With respect to Items 1, 3, 4 pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Sunoco Pipeline L.P. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

In your correspondence on this matter, please refer to **CPF 1-2009-5003** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Byron Coy
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Sun a Compliance Order incorporating the following remedial requirements to ensure the compliance of Sun with the pipeline safety regulations. This Compliance Order pertains to Sun's employees and contractors associated with operations or maintenance activities in Pennsylvania, New Jersey or New York.

1. In regard to Item Number 1 of the Notice pertaining to inadequate procedures under Section 195.402(a) of the code, Sun must develop written procedures that require the use of the manufacturer's procedure, or specifically develop a similar in-house procedure to follow during the installation of completion plugs.
2. In regard to Item Number 3 of the Notice pertaining to Sun's failure to identify "completion plugs" as a covered task in the JPM method of qualifying individuals, Sun must amend JPM 482 to include evaluation requirements to address completion plugs or create a new JPM method to address this covered task.
3. In regard to Item Number 4 of the Notice, pertaining to Sun's failure to ensure that Employee B was qualified to perform completion plugging on the pipeline, Sun must re-qualify all individuals who were qualified under JPM 482 to perform completion plugging on Sun's pipeline system in PA, NY and NJ.
4. Sun must complete the requirements outlined in this Compliance Order within 180 days of receipt of the Final Order. All documentation demonstrating compliance with each of the items outlined in this order must be submitted to the Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration for review.
5. Sun shall maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration. Costs shall be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.