

BUCKEYE PARTNERS, L.P.

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October 25, 2010

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UPS OVERNIGHT DELIVERY

October 25, 2010

Mr. Byron E. Coy
Director, Eastern Region
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628

**RE: Notice of Probable Violation and Proposed Civil Penalty – CPF 1-2010-5009
Skillman Avenue, Queens, New York Incident**

Dear Mr. Coy:

Concerning the referenced Notice of Violation and Proposed Civil Penalty CPF 1-2010-5009 (NOPV), Buckeye Partners, L.P. (Buckeye) would like to present information to the Pipeline and Hazardous Materials Safety Administration (PHMSA) regarding the Skillman Avenue in Queens, New York incident that it believes will both clarify Buckeye's position and support its request that the proposed penalty be substantially reduced.

As explained in Buckeye's PHMSA 7000-1 report for this incident, in October 2009, a contractor working for the New York City Mass Transit Authority (MTA) was conducting a geophysical survey consisting of numerous soil borings at various locations within Queens as directed by the MTA. As the result of numerous one-call notifications made to Buckeye for this survey, on October 20 and 21, 2009, Buckeye met with MTA contractor personnel to discuss excavation requirements near Buckeye's Line 601 pipeline. At this meeting, Buckeye expressly told the MTA contractor that no work was to be done within 10 feet of Buckeye's pipeline without prior notification or without Buckeye personnel being on-site during the work.

On November 12, 2009, the MTA contractor had planned soil borings within the MTA rail yard that is adjacent to Skillman Avenue but could not get the proper clearance from MTA to proceed. The MTA contractor thus changed its work plan that day and proceeded to move the drilling equipment to the Skillman Avenue location in proximity to Buckeye's pipeline although this location was never included in any previous one-call notifications. The MTA contractor contacted Buckeye directly by phone (not by using the one-call system) and requested its pipeline be located. In response to the MTA contractor's request, a Buckeye employee located the pipeline using map information and stayed on-site until after the drilling equipment had reached a depth well below the estimated depth of the pipeline. During this drilling operation, Buckeye personnel monitored the pressure in the pipeline to

ensure that the pipeline had not been impacted. Prior to leaving the site late that evening, the Buckeye employee reiterated that no additional work was to be done at this location without having someone from Buckeye present, given the close proximity of the Buckeye pipeline. Later that night and after drilling to a depth of 25 feet, the MTA contractor dismantled and removed the drilling rig and installed a road plate over the excavation.

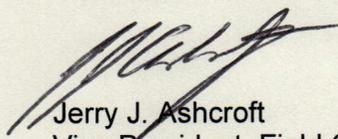
On Monday, November 16, 2009, a different driller for the MTA contractor returned to the Skillman Avenue site, set up the drilling equipment and, despite Buckeye's specific instructions that someone from Buckeye be present when additional work is done, proceeded to drill without any notice to Buckeye. As a result, Buckeye did not have the opportunity to re-verify the pipeline location or be on-site to monitor the work. From our investigation of this incident, we were informed that, on November 16th, the MTA contractor experienced problems with the well bore collapsing and as a result, decided to change the scope of work to use a much larger drill bit than was previously used. With no Buckeye representative on-site on November 16th, Buckeye again was not afforded the opportunity to review and approve this scope change as to possible impacts to Buckeye's pipeline or to re-verify the pipeline location.

On Tuesday, November 17, 2009, the MTA contractor returned to the Skillman Avenue location and, without any notification to Buckeye, proceeded to re-bore the hole with a larger bore and casing. As on November 16th, because Buckeye was not notified that work was going to be performed at the Skillman Avenue location, Buckeye was not given the opportunity to examine and approve the change in work scope or to re-verify the location of the pipeline. Due to the change in scope of the project, Buckeye's Line 601 was hit on the morning of November 17th by the MTA contractor while drilling and a leak occurred.

Buckeye maintains that the MTA contractor's actions on November 16th and 17th led to the pipeline release. Buckeye acknowledges that its employee who initially located the pipeline on November 12th did not follow Buckeye's line location procedure. However, with knowledge of the additional drilling work and the intent to re-drill the bore hole under a changed scope of work (larger bore and casing), Buckeye would have been given the opportunity to reanalyze its method for locating the pipeline and would have re-verified the pipeline location.

Buckeye respectfully requests PHMSA's additional review of the history and circumstances of this incident presented above and its substantial reduction of the Proposed Civil Penalty. In addition, while this incident did cause an interruption of the fuel supply to LaGuardia airport, the interruption did not impact the airport's operation. If you should have any questions or wish to further discuss this matter, please contact either myself or Scott Collier our Director, Performance Assurance at 610-904-4922 or by email at tcollier@buckeye.com.

Sincerely,



Jerry J. Ashcroft
Vice President, Field Operations

cc: T. S. Collier
J. B. Reinbold