

WARNING LETTER

OVERNIGHT EXPRESS DELIVERY

April 20, 2016

T. Scott Collier
VP, Performance Assurance & Asset Integrity
Buckeye Partners, L.P.
Five TEK Park
9999 Hamilton Boulevard
Breinigsville, PA 18031

CPF 1-2016-5001W

Dear Mr. Collier:

From April 13 through 17, 2015, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Buckeye Partners, L.P.'s (Buckeye) corrosion control records for Inspection Unit #4723 – Decatur (Phillips), in Breinigsville, PA.

As a result of the inspection, it appears that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. This probable violation is a repeat violation. The items inspected and the probable violation is:

- 1. §195.573 What must I do to monitor external corrosion control?**
 - (a) Protected pipelines. You must do the following to determine whether cathodic protection required by this subpart complies with Sec. 195.571:**
 - (1) Conduct tests on the protected pipeline at least once each calendar year, but with intervals not exceeding 15 months. However, if tests at those intervals are impractical for separately protected short sections of bare or ineffectively coated pipelines, testing may be done at least once every 3 calendar years, but with intervals not exceeding 39 months.**

Buckeye failed to conduct tests on protected pipelines at least once each calendar year, with intervals not exceeding 15 months.

During the inspection, the PHMSA inspector reviewed procedures and records related to monitoring external corrosion on protected pipelines. Buckeye's procedure A-02: External Corrosion Control, issued 12/12, states in Section 3 (Cathodic Protection Survey Procedures and Processes) that "Trained and qualified field personnel conduct the surveys at intervals in accordance with the Comprehensive Scheduling Chart – Regulatory Inspections (See 195 O and M Manual Section F-34, Ex. A)." The

Comprehensive Scheduling Chart (F-34 Ex. A) states that pipe-to-soil and pipe-to-casing readings are to be performed at least 1 time per calendar year and not to exceed 15 months.

The PHMSA inspector reviewed the CP Survey Reports for mainline pipelines in Buckeye's Responsibility Area #383 for 2012, 2013, and 2014.

The records show that at 69 locations, pipe-to-soil readings took place on 3/5/2013 and 6/19/2014 (58 of these are located in an HCA, 11 are not in an HCA). These exceeded the 15 month maximum by 14 days.

The records also show that at 5 locations, pipe-to-soil readings took place on 3/11/2013 and 6/19/2014 (4 of these are located in an HCA, 1 is not in an HCA). These exceeded the 15 month maximum by 8 days.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item identified in this letter. Failure to do so will result in Buckeye being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 1-2016-5001W**. 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).

Sincerely,

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