



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

901 Locust Street, Suite 462
Kansas City, MO 64106-2641

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

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 2, 2008

Mr. Brian Jury
Vice President, Field Operations
Buckeye Partners, L.P.
5 TEK Park
9999 Hamilton Blvd
Breinigsville, PA 18031

CPF 3-2008-5004

Dear Mr. Jury:

On April 24-26, May 1-3, May 29-30, June 1, June 12-13 and June 26-28, 2007, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your pipeline facilities in Kansas, Missouri, Illinois, Indiana, and Ohio, and your records in Breinigsville, Pennsylvania.

As a result of the inspection, 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 violations are:

1. §195.401 General Requirements

(b) Whenever an operator discovers any condition that could adversely affect the safe operation of its pipeline system, it shall correct it within a reasonable time. However, if the condition is of such a nature that it presents an immediate hazard to

persons or property, the operator may not operate the affected part of the system until it has corrected the unsafe condition.

A condition that could adversely affect the safe operation of the pipeline was found at mile post 268.8 of the Wood River to Lima East Line during the field inspection. Large pieces of concrete debris were observed to have been dumped directly over the pipeline by the side of the road. The weight of the debris may have impacted the integrity of the pipeline. The condition has existed for an unknown amount of time.

2. §195.420 Valve maintenance.

(b) Each operator shall, at intervals not exceeding 7½ months, but at least twice each calendar year, inspect each mainline valve to determine that it is functioning properly.

Buckeye did not inspect several mainline valves twice each year during 2005 and 2006 for Buckeye's Wood River to Chicago Northline and Wood River to Lima East Line. A review of the records obtained from your Maximo record keeping database found that the following mainline valves were missing the required inspections:

Description (Tag)	Type	Inspection(s) missed
WO165EFV0D	MLV	1 st 2005
PN160AGV27B	MLV 14" valve in vault	Both 2005
(20-1) PN160AGV35A	MLV Receiving Barrel Inlet	2 nd 2005, and both 2006
(20-3) PN160AGV35B	MLV Receiving Barrel Bypass	2 nd 2005 and both 2006
(30-1) PN160AGV35D	MLV Terminal Block Valve	1 st 2005
(31-1) PN160AGV35E	MLV Search and Leg Switch Valve	1 st 2005
(BV31B) PN160XXV216A	MLV MP 216.03	2 nd 2005 and both 2006
(SCR3) SI160BPV155A	MLV Launcher Outlet Valve	2 nd 2005 and both 2006

(BV21A) SI160BPV155B	MLV Leak Search	2 nd 2005 and both 2006
(BV22) SI160BPV155D	MLV MP 154.99	1 st 2005
(25-2) AG160DNV35A	MLV Launcher Barrel Outlet	2 nd 2005 and both 2006
(25-3) AG160DNV35C	MLV Launcher Barrel Bypass	2 nd 2005 and both 2006
(20-1) AG160DNV63A	MLV Receiving Barrel Inlet	2 nd 2005 and both 2006
(20-3) AG160DNV63B	MLV Receiving Barrel Bypass	2 nd 2005 and both 2006
(SCR3) AG160HUV78A	MLV Launcher Outlet	2 nd 2005 and both 2006
(10A) AG160HUV78B	MLV L/S Valve	2 nd 2005 and both 2006
(BV11) AG160HUV78D	MLV MP 77.56	1 st 2005

3. §195.428 Overpressure safety devices and overfill protection systems.

(a) Except as provided in paragraph (b) of this section, each operator shall, at intervals not exceeding 15 months, but at least once each calendar year, or in the case of pipelines used to carry highly volatile liquids, at intervals not to exceed 7½ months, but at least twice each calendar year, inspect and test each pressure limiting device, relief valve, pressure regulator, or other item of pressure control equipment to determine that it is functioning properly, is in good mechanical condition, and is adequate from the standpoint of capacity and reliability of operation for the service in which it is used.

Buckeye did not perform annual inspections on several overpressure protection and pressure control devices for the Wood River, IL to Lima, OH East Line system. A review of the records obtained from your Maximo record keeping database found that the following devices were missing the required inspections:

Description (Tag)	Type	Inspection(s) missed
WOPSH1	Pressure Switch	2006 annual
WOPSH160	Pressure Switch	2006 annual
WOPSH165	Pressure Switch	2006 annual
WOPSH4	Pressure Switch	2006 annual
STPSV1	Relief Valve	2006 annual
WOPSV5	Thermal Relief Valve	2006 annual
WOPSV6	Thermal Relief Valve	2006 annual

4. §195.404 Maps and records.

(c)(3) A record of each inspection and test required by this subpart shall be maintained for at least 2 years or until the next inspection or test is performed, whichever is longer.

Buckeye Partners did not have a record of the required annual inspection for breakout tank #L-12 located at the Lima, OH facility for the year 2005. After the inspection, your personnel sent a list of active breakout tanks and the 2005 inspection records for the Lima facility to the Central Region Office. Review of these records found that tank L-12 was missing the 2005 inspection. The same issue of missing breakout tank inspection records was noted at different Buckeye facilities during a 2005 inspection and cited in CPF 3-2007-5026.

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 \$73,000 as follows:

<u>Item number</u>	<u>PENALTY</u>
2	\$35,000
3	\$29,000
4	\$9,000

Proposed Compliance Order

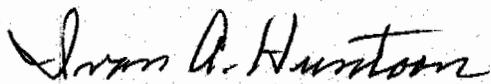
With respect to item number 1 pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Buckeye Partners, L.P. Please refer to the *Proposed Compliance Order* that is enclosed and made a part of this Notice

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 3-2008-5004** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Ivan A. Huntoon
Director, Central Region
Pipeline and Hazardous Materials Safety Administration

Enclosures: *Proposed Compliance Order*
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 Buckeye Partners, L.P. a Compliance Order incorporating the following remedial requirements to ensure the compliance of Buckeye Partners, L.P. with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to possible pipeline damage, Buckeye Partners, L.P. shall clear the right-of-way of debris and verify that the pipeline has not been damaged.
2. Buckeye Partners, L.P. shall within 90 days of receipt of a Final Order, complete Item Number 1 of this Proposed Compliance Order.
3. Buckeye Partners, L.P. shall maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Ivan A. Huntoon, Director, Central 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.