

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

July 31, 2012

Mr. T. Scott Collier
Vice President, Performance Assurance & Asset Integrity
Buckeye Partners, LP
Five Tek Park
9999 Hamilton Blvd.
Breinigsville, PA 18031

CPF 2-2012-6016M

Dear Mr. Collier:

From March 26-28, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) inspected the Buckeye Partners, LP (Buckeye) Everglades Pipeline in Port Everglades, FL, pursuant to Chapter 601 of 49 United States Code.

On the basis of the inspection, PHMSA has identified apparent inadequacies within Buckeye's written operations and maintenance (O&M) procedures, as described below:

- 1. § 195.405 Protection against ignitions and safe access/egress involving floating roofs.**
(a) After October 2, 2000, protection provided against ignitions arising out of static electricity, lightning, and stray currents during operation and maintenance activities involving aboveground breakout tanks must be in accordance with API Recommended Practice 2003, unless the operator notes in the procedural manual (§195.402(c)) why compliance with all or certain provisions of API Recommended Practice 2003 is not necessary for the safety of a particular breakout tank.

Buckeye's written O&M procedures (i.e. 195 O&M Manual *F-37 Aboveground Tanks*) did not convey how Buckeye provided protection against ignitions arising out of static electricity, lightning, and stray currents during operations and maintenance activities involving above ground breakout tanks or explain why compliance with all or certain provisions of API Recommended Practice 2003 was not necessary for the safety of a particular breakout tank.

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's written O&M procedures (i.e. 195 O&M Manual *F-27 - Mainline Valves and Valve Sites*) did not clearly require Buckeye to adequately inspect each mainline valve to determine that it functioned properly.

Buckeye's procedure *F-27 - Mainline Valves and Valve Sites*, paragraph 2.6.1 stated, "Valves that can be operated by the Control Center **should** [emphasis added] be operated by the Control Center during this inspection to ensure remote functionality." The word "should" is commonly defined to mean an obligation; yet, when conveying an obligation "should" is not as clear as words such as "must" or "shall." The Everglades Pipeline had seven mainline valves with remote control capability; therefore, Buckeye's procedures must clearly obligate it to test the functionality of the remote operation of these valves.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. 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.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that Buckeye Partners, LP maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Wayne T. Lemoi, Director, Southern Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this

matter, please refer to **CPF 2-2012- 6016M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Wayne T. Lemoi
Director, Office of Pipeline Safety
PHMSA Southern Region

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