



BUCKEYE PARTNERS, L.P.

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May 17, 2011

VIA UPS NEXT DAY AIR

Mr. Byron Coy, PE
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration
820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628

RE: CPF 1-2011-5003 - Notice of Probable Violation, Proposed Civil Penalty
Pipeline and Facilities Inspection – Boothwyn, PA

Dear Mr. Coy:

Buckeye Partners, L.P. (Buckeye) received the referenced "Notice of Probable Violation and Proposed Civil Penalty" (Notice) on April 18, 2011 concerning the 2010 inspection by the Pipeline and Hazardous Materials Safety Administration (PHMSA) of Buckeye's Boothwyn, PA facilities. While Buckeye is in agreement with certain of the inspection findings, it respectfully disagrees with others as more fully discussed below. For the disputed items, Buckeye requests either a full dismissal of the item and its associated penalty or a substantial reduction in the proposed penalty amounts.

The following are Buckeye's responses to each of the Notice items.

- 1. Buckeye failed to maintain records of an annual cathodic protection survey for two (2) test points to demonstrate the adequacy of corrosion control measures or that corrosion requiring control measures does not exist.**

Buckeye acknowledges that it missed taking the test point readings in 2008 for the ML drain unit #111 that is located within the Booth station and in 2009 at the M&H XHG location 1274+78 on its Line 724 pipeline.

However, Buckeye did demonstrate adequacy of cathodic protection for the Line 724 pipeline. For the Line 724 pipeline there are 108 established cathodic protection test point locations on the approximately 47 mile pipeline between Booth and Sinking Spring, PA. Based on data prior to the 2009 survey, the test point at 1274+78 was never the lowest pipe-to-soil potential point of the system and therefore conclusions regarding the effectiveness of the cathodic protection system during the 2009 survey could be reasonably drawn based on the readings obtained at the other test point locations. It is Buckeye's opinion that failing to obtain a measurement at this particular test station during the 2009 survey did not impact the effectiveness of the cathodic protection system or our ability to determine the pipelines overall cathodic protection status.

Buckeye requests the civil penalty associated with this portion of the finding be eliminated or otherwise substantially reduced.

2. Buckeye failed to maintain records for two (2) checks for Rectifier LP-10 for calendar year 2008 to demonstrate an adequate level of cathodic protection.

During the time of the inspection, PHMSA's inspector looked at records within Buckeye's Cathodic Protection Data Management system (CPDM). As indicated on the attached work order records in its work management system (WOs 479171 and 498066), rectifier LP-10 was checked in September and November 2008 per the regulations and was found to be operating normally on both occasions. As explained during the inspection, the fact that no voltage or current readings were available in its CPDM for those particular inspections was due to a field computer issue and not that the readings were not taken. Buckeye feels that it demonstrated adequacy of the cathodic protection system for this pipeline and therefore requests this item be dismissed and the proposed civil penalty withdrawn or in the alternative the penalty amount substantially reduced.

Buckeye has since installed remote monitoring units on its rectifiers in order to ensure rectifier output data record maintenance and to receive timely notifications when there is an issue requiring maintenance.

3. Buckeye did not conduct tests on the cathodically protected pipeline segments to monitor external corrosion control, at least once each calendar year, but with intervals not exceeding 15 months.

Buckeye acknowledges that due to test station damage, there were no records for the four cathodic protection test stations in question in 2008 and 2009. However Buckeye wishes to clarify that not only are these four test stations distributed among three separate pipelines, but there are numerous test stations on the three pipelines in question that provided sufficient data to determine the adequacy of cathodic protection.

The appropriate personnel have been instructed to take the necessary steps toward expediently repairing damaged test stations when they are discovered.

4. Buckeye did not correct deficiencies identified during the annual cathodic protection survey to monitor external corrosion control.

Buckeye disagrees with PHMSA's assertion that the readings taken dictate that there is a deficiency in corrosion control for its pipeline. Pipe-to-soil potential measurements more negative than -5 volts with respect to a copper/copper sulfate reference electrode may exist in a dynamic/static stray current environment and should not be deemed as deficient, unresolved, or a result of inadequate mitigation. Buckeye requests this item be dismissed and the proposed civil penalty withdrawn or in the alternative the associated civil penalty amount be substantially reduced.

5. Buckeye did not maintain records of atmospheric corrosion inspections conducted on exposed pipe at pipeline facilities at the Booth/Chelsea area as required by §195.583(a) in sufficient detail to demonstrate the adequacy of atmospheric corrosion control measures.

Buckeye agrees that the documentation for the atmospheric corrosion inspections performed in the Booth/Chelsea area did not follow Buckeye procedures. All necessary personnel have been re-educated regarding completion of the *Station and Terminal Visual Inspection* form.

In summary, Buckeye acknowledges that certain external corrosion control cathodic protection readings were not taken in accordance with regulatory required timeframes and that other atmospheric corrosion control records did not meet Buckeye's documentation procedures. As more fully discussed above, Buckeye respectfully requests that PHMSA's Items 2 and 4 be withdrawn along with the associated civil penalty amounts or in the alternative, the civil penalties for these Items along with Item 1 be substantially reduced.

If you have any questions or need additional information, please feel free to contact myself or Mr. Scott Collier at 610-904-4922 or by e-mail at tcollier@buckeye.com.

Sincerely,



Jeremiah J. Ashcroft
Vice President, Field Operations

cc: T. S. Collier
J. R. Reinbold
C. Ostach