



RECEIVED OCT - 3 2018
MIPC, LLC
920 Cherry Tree Rd
Aston, PA 19014

A handwritten signature in blue ink, appearing to be "MJP", is written over the company name and address in the top right corner.

October 1, 2018

Mr. Robert Burrough
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Office of Pipeline Safety
820 Bear Tavern Road, STE 130
West Trenton, NJ 08628

**RE: Notice of Probable Violation,
Proposed Civil Penalty and Proposed Compliance Order
Reference No. CPF 1-2018-5012**

Mr. Burrough,

This letter is in response to the above-referenced Notice of Probable Violation and Proposed Civil Penalty dated September 21, 2018, and received by MIPC, LLC ("MIPC") on September 24, 2018.

On the basis of the May 15-19, 2017 inspection, PHMSA identified two probable violations. MIPC's responses to the noted probable violations are as follows. Please be advised that MIPC is electing to contest Item 1 and Item 2, but does not request an oral hearing.

PHMSA Item 1 – § 195.432 Inspection of in-service breakout tanks.

MIPC failed to maintain documentation of remedial actions taken based on recommendations from API 653 internal inspections of its Tanks 706 and 707.

MIPC Response:

MIPC elects to contest this finding. After the internal inspection was conducted on Tank 706 and MIPC made the necessary repairs, MIPC had a third-party contractor conduct a post modification inspection to verify all necessary repairs were made on May 31, 2017. Please refer to the enclosed documentation *Tank 706 Modification Inspection* report from the third-party contractor.

For Tank 707, please refer to the enclosed documentation *Tank 707 Remedial Actions Taken*, which includes invoices, associated purchase order and a letter which details the services completed.

PHMSA Item 2 – § 195.432 Inspection of in-service breakout tanks.

MIPC failed to perform an internal inspection of Chelsea Terminal's Tank 706 within the maximum time interval required by API Standard 653 3rd.

MIPC Response:

MIPC elects to contest this finding. Tank 706 was taken out of service on November 10, 2016 in preparation for cleaning and inspection. The inspection was completed on February 23, 2017 and the necessary repairs were completed. As mentioned above, MIPC had a third-party contractor conduct a modification inspection that verified all necessary repairs were made on May 31, 2017. The tank was then returned to service on June 6, 2017. Please refer to the enclosed documentation, *MIPC's PI Database*, which shows Tank 706 was empty from November 10, 2016 to June 6, 2017.

MIPC is committed to operating our terminal and pipeline system safely and in compliance with all applicable regulations. If you have further questions, please feel free to contact me at 484-816-3303.

Sincerely,



John F. Bowen
Pipeline Safety Lead
MIPC, LLC

Enclosure:

Tank 706 Modification Inspection
Tank 707 Remedial Actions Taken
MIPC's PI Database