

February 17, 2022

VIA ELECTRONIC MAIL TO: smlyon@marathonpetroleum.com

Mr. Shawn M. Lyon
President
Marathon Pipe Line, LLC
200 East Hardin Street
Findlay, Ohio 45840

Re: CPF No. 3-2021-048-NOPV

Dear Mr. Lyon:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation and assesses a civil penalty of \$22,400. The penalty payment terms are set forth in the Final Order. This enforcement action closes automatically upon receipt of payment. Service of the Final Order by e-mail is effective upon the date of transmission and acknowledgement of receipt as provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. Gregory A. Ochs, Director, Central Region, Office of Pipeline Safety, PHMSA
Ms. Mandy L. Bailey, Regulatory Compliance Coordinator, Marathon Pipe Line, LLC
mlbailey@marathonpetroleum.com
Mr. Greg Smith, Chief Counsel, Marathon Pipe Line, LLC
jgsmith@marathonpetroleum.com
Mr. Aaron W. Martinez, Regulatory Compliance Manager, Marathon Pipe Line, LLC
awmartinez@marathonpetroleum.com

CONFIRMATION OF RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

)	
In the Matter of)	
)	
Marathon Pipe Line, LLC,)	CPF No. 3-2021-048-NOPV
a subsidiary of MPLX, LP,)	
)	
Respondent.)	
)	

FINAL ORDER

From April 29, 2020 through November 12, 2020, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the procedures, facilities, and records of the Marathon Pipe Line, LLC (Marathon or Respondent) products system in Illinois, Michigan, Indiana, and Ohio. Marathon, a subsidiary of MPLX, LP, operates approximately 6,000 miles of underground pipeline in 14 states.¹ Marathon transports crude oil, petroleum products, and natural gas to and from terminals, refineries, and other pipelines.²

As a result of the inspection, the Director, Central Region, OPS (Director), issued to Respondent, by letter dated October 18, 2021, a Notice of Probable Violation and Proposed Civil Penalty (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Marathon had committed one violation of 49 C.F.R. § 195.583(a) and proposed assessing a civil penalty of \$22,400 for the alleged violation.

Marathon responded to the Notice by letter dated November 16, 2021 (Response). Respondent did not contest the allegation of violation but did contest certain factual statements in the Notice and requested clarification. Respondent did not request a hearing and therefore has waived its right to one.

FINDING OF VIOLATION

In its Response, Respondent did not contest the allegation in the Notice that it violated 49 C.F.R. Part 195, as follows:

¹ Pipeline Safety Violation Report (Violation Report), (October 19, 2021) (on file with PHMSA), at 1.

² *Id.*

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 195.583(a), which states:

§ 195.583 What must I do to monitor atmospheric corrosion control?

(a) You must inspect each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion, as follows:

If the pipeline is located:	Then the frequency of inspection is:
Onshore	At least once every 3 calendar years, but with intervals not exceeding 39 months.
Offshore	At least once each calendar year, but with intervals not exceeding 15 months.

The Notice alleged that Marathon violated 49 C.F.R. § 195.583(a) by failing to inspect and monitor each pipeline or portion of pipeline that is exposed to the atmosphere for evidence of atmospheric corrosion at least once every three calendar years, but with intervals not exceeding 39 months. Specifically, the Notice alleged that Marathon failed to inspect and monitor the aboveground piping associated with the 14 breakout tanks at Hammond Terminal in Indiana for atmospheric corrosion from October 2009 through October 2020.

Respondent did not contest this allegation of violation, however it challenged certain facts alleged in the Notice. Marathon clarified that only one breakout tank, Tank T-13, “was inadvertently reclassified as non-DOT in our atmospheric corrosion monitoring (ACM) tracking system; therefore, the ACM inspections for the lines associated with Tank T-13 were not conducted during the period between October 2009 and October 2020.”³ Consequently, Respondent stated “it is not correct that the piping associated with the other 13 breakout tanks at Hammond Terminal [were] also reclassified as non-DOT.”⁴ Marathon attributed the factual error to “poor communication” between Marathon personnel and the inspector.⁵

After evaluating the Response, I agree with Marathon that the non-compliance relevant to the allegation of violation is limited to two surge relief lines associated with Tank T-13 only. Accordingly, based on a review of the evidence, I find that Respondent violated 49 C.F.R. § 195.583(a) by failing to inspect and monitor the aboveground piping associated with Tank T-13 at Hammond Terminal at least once every three calendar years, but with intervals not exceeding 39 months.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

³ Response, at 2.

⁴ *Id.*

⁵ *Id.*

ASSESSMENT OF PENALTY

Under 49 U.S.C. § 60122, Respondent is subject to an administrative civil penalty not to exceed \$225,134 per violation for each day of the violation, up to a maximum of \$2,251,334 for any related series of violations.⁶

In determining the amount of a civil penalty under 49 U.S.C. § 60122 and 49 C.F.R. § 190.225, I must consider the following criteria: the nature, circumstances, and gravity of the violation, including adverse impact on the environment; the degree of Respondent's culpability; the history of Respondent's prior offenses; any effect that the penalty may have on its ability to continue doing business; the good faith of Respondent in attempting to comply with the pipeline safety regulations; and self-disclosure or actions to correct a violation prior to discovery by PHMSA. In addition, I may consider the economic benefit gained from the violation without any reduction because of subsequent damages, and such other matters as justice may require. The Notice proposed a total civil penalty of \$22,400 for the violation cited above.

Item 1: The Notice proposed a civil penalty of \$22,400 for Respondent's violation of 49 C.F.R. § 195.583(a) for failing to inspect and monitor the aboveground piping associated with the 14 breakout tanks at the Hammond Terminal. Marathon did not contest the allegation of violation or the proposed civil penalty, but clarified that only two surge relief lines associated with Tank T-13 were misclassified. Since the proposed civil penalty was calculated based on only one instance of violation, this factual clarification has no impact on the penalty amount.⁷ Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$22,400 for a violation of 49 C.F.R. § 195.583(a).

Payment of the civil penalty must be made within 20 days after receipt of the Final Order. Federal regulations (49 C.F.R. § 89.21(b)(3)) require such payment to be made by wire transfer through the Federal Reserve Communications System (Fedwire), to the account of the U.S. Treasury. Detailed instructions are contained in the enclosure. Questions concerning wire transfers should be directed to: Financial Operations Division (AMK-325), Federal Aviation Administration, Mike Monroney Aeronautical Center, 6500 S MacArthur Blvd, Oklahoma City, Oklahoma 79169. The Financial Operations Division telephone number is (405) 954-8845.

Failure to pay the \$22,400 civil penalty will result in accrual of interest at the current annual rate in accordance with 31 U.S.C. § 3717, 31 C.F.R. § 901.9 and 49 C.F.R. § 89.23. Pursuant to those same authorities, a late penalty charge of six percent (6%) per annum will be charged if payment is not made within 110 days of service. Furthermore, failure to pay the civil penalty may result in referral of the matter to the Attorney General for appropriate action in a district court of the United States.

Under 49 C.F.R. § 190.243, Respondent may submit a Petition for Reconsideration of this Final Order to the Associate Administrator, Office of Pipeline Safety, PHMSA, 1200 New Jersey Avenue, SE, East Building, 2nd Floor, Washington, DC 20590, with a copy sent to the Office of

⁶ These amounts are adjusted annually for inflation. See 49 C.F.R. § 190.223.

⁷ Violation Report at 8.

Chief Counsel, PHMSA, at the same address, no later than 20 days after receipt of the Final Order by Respondent. Any petition submitted must contain a brief statement of the issue(s) and meet all other requirements of 49 C.F.R. § 190.243. The filing of a petition automatically stays the payment of any civil penalty assessed. The other terms of the order, including any corrective action, remain in effect unless the Associate Administrator, upon request, grants a stay. If Respondent submits payment of the civil penalty, the Final Order becomes the final administrative decision and the right to petition for reconsideration is waived.

The terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.

February 17, 2022

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Date Issued