



ENERGY TRANSFER

May 30, 2017

Ms. Kristin Baldwin, Esq.
Presiding Official
Pipeline and Hazardous Materials Safety Administration
U.S. Department of Transportation
1200 New Jersey Ave. SE
Washington DC, 20590

VIA: Electronic Mail

**RE: CPF 1-2017-5003
Pre-Hearing Submission**

Dear Ms. Baldwin:

As of February 7, 2017, Inland Corp. is in receipt of the above-referenced Notice of Probable Violation which includes a Proposed Civil Penalty (NOPV). Inland Corp. is operated by Sunoco Pipeline L.P. (SPLP) and SPLP provides this correspondence on behalf of Inland and SPLP in advance of the hearing set for June 7th.

Pursuant to 49 C.F.R. §190.208, SPLP submitted a response contesting in full, and respectfully requesting an in-person oral hearing, on all matters listed in such NOPV on February 27, 2017. Accordingly, SPLP intends to present the following issues at the hearing for your consideration (in addition to any other issues identified in advance or at the hearing):

- As authorized by applicable regulations, additional protection was to be provided by SPLP regarding depth of cover from an erosion & sediment control and loading standpoints prior to PHMSA's inspection;
- The proposed civil penalty sought by PHMSA in the amount of \$55,200 is excessive, unjustified under 49 C.F.R. §§190.221 and 190.223, and is not consistent with penalty consideration factors specified in 49 C.F.R. §190.225, applicable statute, the Pipeline Safety and Enforcement Procedures and/or precedent;
- At a minimum, the Violation Report and/or the Penalty Worksheet provided to SPLP in this matter evidences the following deficiencies, including but not limited to:
 - Failure to account for "good faith" factors;
 - mis-application application of the facts as they relate to the alleged probable violation;
 - mis-application of the facts in the Gravity section.

Additionally, Pursuant to 49 CFR 190.211(d), please accept this as SPLP's pre-hearing submission listing the expected attendees at the hearing and who will be providing testimony. On its behalf, SPLP will have the following individuals in attendance at a hearing: Director of Integrity Projects – Jay Dresh, Staff Engineer of Integrity Projects – Stephen Scotto, Sr. Specialist – DOT Compliance – Albert Kravatz, and Counsel – Kevin Dunleavy.

SPLP intends to provide a more descriptive response to the violation in the NOPV at the hearing, as permitted by 49 C.F.R. §190.211. If the Region is inclined to discuss this matter at this time and/or prior to the hearing, please do not hesitate to contact me at 215-977-6273. We look forward to the opportunity to discuss this matter further at the hearing.



Sincerely,

A handwritten signature in blue ink, appearing to read "Kevin R. Dunleavy", written over a horizontal line.

Kevin R. Dunleavy
Assistant General Counsel

Cc: Robert Burrough (Acting Director – PHMSA Eastern Region) (via e-mail); Y. Ajoke Agboola (PHMSA Counsel) (via e-mail); Todd Nardozi; Albert Kravatz (via e-mail)