United Refining Company • Petroleum Products

Environmental Department

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Direct Dial: (814) 726-4846
E-mail: dansobina@urc.com

June 12, 2018

OVERNIGHT MAIL

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

RE: CPF 1-2018-5022
Kiantone Pipeline Corporation

Dear Mr. Burrough:

This letter is in response to the Notice of Probable Violation and Proposed Civil Penalty received by Kiantone Pipeline Corporation regarding failure to inspect and test cathodic protection systems on Tanks 701, 702 and 703 within the interval designated in its Operations and Maintenance Manual (i.e. annually not exceeding 15 months.) Kiantone does not contest the alleged violation but wishes to provide additional information that warrants mitigation or reduction of the civil penalty.

As discussed during the audit, Kiantone Pipeline is a smaller pipeline that has only ever been staffed with a single NACE certified Technician. This cathodic protection (CP) Technician has been able to comply with all cathodic protection system monitoring and evaluation requirements for the pipeline and associated systems (e.g. tanks) throughout his 27 years of monitoring the pipeline.

During this single non-compliance event, the CP Technician was on medical leave and had been expecting to return with enough time to perform these readings, but was unable to meet the deadline. To prevent reoccurrence of this situation, Kiantone is in the process of training another employee to perform tasks necessary to meet the code requirements for cathodic protection monitoring in the event that the CP Technician becomes unavailable again. This includes pursuit of the necessary NACE certifications and Operator Qualifications to ensure there is a backup for cathodic protection system monitoring for all of Kiantone's pipelines and systems.

Kiantone hopes this effort to improve its structure and prevent future occurrences of non-compliance will be considered when PHMSA prepares issuance of the Final Order. If you have any questions or comments, feel free to contact me directly at the above number.

Very truly yours,

UNITED REFINING COMPANY

Daniel Sobina
Regulatory Compliance Manager

cc: David Wortman, V.P. Supply & Transportation