U.S. Department
of Transportation

**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.771.7800

WARNING LETTER

OVERNIGHT EXPRESS DELIVERY

August 22, 2018

Mr. Greg McIlwain
Senior Vice President of Operations
Sunoco Pipeline L.P.
1300 Main Street
Houston, TX 77002

CPF 1-2018-5026W

Dear Mr. McIlwain:

From April 3, 2017 to August 11, 2017, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Sunoco Pipeline L.P.'s (Sunoco) Mariner East 1 pipeline system in Pennsylvania.

As a result of the inspection, it is alleged that Sunoco has committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violation(s) are:

1. **§ 195.420 Valve Maintenance.**

   (c) Each operator shall provide protection for each valve from unauthorized operation and from vandalism.

Sunoco failed to provide protection for each valve from vandalism. Specifically, the temporary fencing at 2 valve sites along its Mariner East 1 (ME1) pipeline did not provide adequate protection from vandalism.

During the field inspection of the ME1 pipeline segment from Houston to Delmont, PA, the PHMSA inspector observed valves located at the following locations that were not adequately protected from vandalism:

1. Youghiogheny River South Mainline Valve Station near West Newton, PA.

Each valve at this site was within enclosed and locked temporary fencing due to construction. However, several of the temporary fencing panels at the Youghiogheny River South mainline Valve Station were held together by single application of thin wire or string, which can easily allow access by unauthorized individuals.

2. Pike Mainline Valve Station near Houston, PA.

Each valve at this site was within enclosed and locked temporary fencing due to construction. However, the temporary fencing was constructed with a large open gap (roughly 2 feet wide x 3.5 feet tall) at ground level. Hay bundles were placed inside the fencing at the open gap. This gap can easily allow access by unauthorized individuals.

Thus, Sunoco failed to provide protection for each valve from vandalism as required by § 195.420(c).

2. § 195.589 What corrosion control information do I have to maintain?

(c) You must maintain a record of each analysis, check, demonstration, examination, inspection, investigation, review, survey, and test required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that corrosion requiring control measures does not exist. You must retain these records for at least 5 years except that records related to Secs. 195.569, 195.573(a) and (b), and 195.579(b)(3) and (c) must be retained for as long as the pipeline remains in service.

Sunoco failed to maintain, for at least 5 years, a record of each inspection required by Subpart H of 49 CFR Part 195 in sufficient detail to demonstrate the adequacy of corrosion control measures. Specifically, Sunoco could not provide sufficiently detailed records documenting the pipe coating inspections on buried pipe and fittings just prior to lowering into the ditch at the Mariner East 1 Plainfield Station, pursuant to § 195.561(a).

Section 195.561(a) states:

"You must inspect all external pipe coating required by Sec. 195.557 just prior to lowering the pipe into the ditch or submerging the pipe."

During the inspection, the PHMSA inspector reviewed Coating Daily Reports for the Mariner East 1 pipe & fittings. A report for three 90-degree pipe fittings, dated 2/23/25, indicated by the coating inspector (in red font): "WILL NEED TO BE HOLIDAY TESTED"

The PHMSA inspector required evidence that these fittings were holiday tested as called for by the coating inspector's report notes.

In a letter from Sunoco to PHMSA, dated June 29, 2017, Sunoco stated in part:

Holiday testing is typically done when the pipeline parts are installed in the ground... The Inspection Daily Reports dated 7/15/2015 and 7/16/2015 document that holiday testing was performed for these spools during final installation. ...The inspection daily reports provided for July 15, 2015 and July 16, 2015 document the subject spools were holiday tested just prior to lowering in for construction.

PHMSA reviewed the 7/15/2015 and 7/16/2015 reports and found that they do not contain sufficient detail to satisfy § 195.589 requirements, pursuant to § 195.561(a).

The two inspection reports do not indicate that a coating inspection was performed. The inspector's report notes state that a "subcontractor was on site to perform jeeping", but Sunoco could not provide records showing further details, which could include information such as confirmation that jeeping was completed, what holiday testing equipment was used, what voltage settings were used, equipment calibration information, outcome of the testing, etc.

Therefore, Sunoco's records do not reflect, in sufficient detail, that an inspection of the coating was performed just prior to lowering the pipe into the ditch pursuant to § 195.561(a).

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed $209,002 per violation per day the violation persists, up to a maximum of $2,090,022 for a related series of violations. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed $200,000 per violation per day, with a maximum penalty not to exceed $2,000,000 for a related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item(s) identified in this letter. Failure to do so will result in Sunoco being subject to additional enforcement action.

Please be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

No reply to this letter is required. If you choose to reply, please submit all correspondence in this matter to Robert Burrough, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, West Trenton, NJ 08628. Please refer to **CPF 1-2018-5026W** on each document you submit, and whenever possible provide a signed PDF copy in electronic format. Smaller files may be emailed to robert.burrough@dot.gov. Larger files should be sent on a CD accompanied by the original paper copy to the Eastern Region Office.

Sincerely,

Martin Rojas

for Robert Burrough
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration