U.S. Department
of Transportation

**Pipeline and
Hazardous Materials
Safety Administration**

840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628
609.771.7800

WARNING LETTER

OVERNIGHT EXPRESS DELIVERY

November 6, 2018

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

CPF 1-2018-5030W

Dear Mr. McIlwain:

From June 30, 2017 to April 5, 2018, a representative 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) Delaware River HDD Bore project in Aston, PA.

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

1. **§ 195.202 Compliance with specifications or standards.**

   Each pipeline system must be constructed in accordance with comprehensive written specifications or standards that are consistent with the requirements of this part.

Sunoco's pipeline system was not constructed in accordance with Sunoco's Construction Scope of Work for SXL 12-INCH and MIPC 8-INCH DELAWARE RIVER, Issue Date: SEPTEMBER 2016 (Scope of Work). Specifically, some of the dry film thickness measurements from Sunoco's Coating Thickness Reports were less than 50 mils thick so they failed to follow the requirements of the Scope of Work.

During the inspection, a PHMSA inspector observed that some of the dry film thickness measurements from Sunoco's Coating Thickness Reports were less than 50 mils. Section 3.8.2 Girth Welds of the Scope of Work stated in part, "Powercrete R95 with total minimum thickness of 50 mils shall be applied to the drill pipe."

Since Sunoco utilized its Scope of Work as construction specifications, and since some of the dry film thickness measurement did not meet the minimum thickness specified in the Scope of Work, Sunoco failed to comply with its written specifications.

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 Pipeline L.P. 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, 840 Bear Tavern Road, Suite 300, West Trenton, NJ 08628. Please refer to **CPF 1-2018-5030W** 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.

Please note, the address for the PHMSA Eastern Region, Office of Pipeline Safety, has changed:

PHMSA, Eastern Region, Office of Pipeline Safety
840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628

Please make a note of this new information in your records. If you have any questions, please contact us at 609-771-7800.

Sincerely,

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