

## WARNING LETTER

### OVERNIGHT EXPRESS DELIVERY

July 25, 2019

Mr. John Roller  
Vice President, Terminal Operations  
NuStar Terminals Operations Partnership, L.P.  
PO BOX 781609  
San Antonio, TX 78278

**CPF 1-2019-5009W**

Dear Mr. Roller:

From February 19, 2019 to May 15, 2019, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), performed an integrated inspection of NuStar Terminals Operations Partnership, LP (NuStar) in Linden, New Jersey.

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 item(s) inspected and the probable violation(s) are:

**1. § 195.64 National Registry of Pipeline and LNG Operators**

**(c) Changes. Each operator must notify PHMSA electronically through the National Registry of Pipeline and LNG Operators at <http://opsweb.phmsa.dot.gov>, of certain events.**

**(1) An operator must notify PHMSA of any of the following events not later than 60 days before the event occurs:**

- (i) **Construction or any planned rehabilitation, replacement, modification, upgrade, uprate, or update of a facility, other than a section of line pipe, that costs \$10 million or more.**

NuStar failed to notify PHMSA electronically through the National Registry of Pipeline and LNG Operators (National Registry) within 60 days from the construction of the Linden Tank expansion project.

During the inspection, the PHMSA inspector reviewed notices that had been submitted to PHMSA via the National Registry. A National Registry – Construction Notification (Type F notification) had not been submitted by NuStar for the Linden Tank Expansion project at Linden Terminal in Linden, NJ. NuStar began construction of 4 breakout tanks at the Linden Terminal in 2017 at an estimated cost greater than \$10 million.

Therefore, NuStar failed to notify PHMSA electronically through the National Registry within 60 days from the construction.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$213,268 per violation per day the violation persists, up to a maximum of \$2,132,679 for a related series of violations. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022. 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. Also, for each violation involving LNG facilities, an additional penalty of not more than \$77,910 occurring on or after November 27, 2018 may be imposed. For each violation involving LNG facilities occurring on or after November 2, 2018 and before November 27, 2018, an additional penalty of not more than \$76,352 may be imposed. For each violation involving LNG facilities occurring prior to November 2, 2015, an additional penalty of not more than \$75,000 may be imposed. 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 NuStar Terminals Operations Partnership L.P. being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 1-2019-5009W**. 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).

Sincerely,

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