



December 16, 2019

VIA: Electronic Mail

Robert Burrough, Director
Eastern Region
Pipeline and Hazardous Materials Safety Administration
U.S. Department of Transportation
840 Bear Tavern Road, Suite 300
West Trenton, New Jersey 08628

**Re: CPF-1-2019-5014W
Warning Letter**

Mr. Burrough,

The Warning Letter referenced above and dated December 12, 2019 (letter) was received by Sunoco Pipeline L.P. (SPLP or Company) on December 13, 2019 via electronic mail. SPLP is a subsidiary of Energy Transfer (ET).

The letter provided SPLP 30 days to respond. Although a written response is not required SPLP has chosen to respond in order to address the probable violation of §194.432 referenced in the letter.

SPLP appreciates PHMSA's consideration of the attached response.

Should you have any questions or concerns please contact me at (713) 989-7126 or via email at todd.nardozzi@energytransfer.com. SPLP shares PHMSA's commitment to pipeline safety, public safety, and pipeline integrity.

Sincerely,

Todd Nardozzi
Sr. Manager – DOT Compliance

cc: Greg McIlwain
Todd Stamm
Leif Jensen
Mark Milliken
Danny Nichols



Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 195.432, which states in relevant part:

§ 195.432 Inspection of in-service breakout tanks.

(a) ...

(b) ***Each operator must inspect the physical integrity of in-service atmospheric and low-pressure steel above-ground breakout tanks according to API Std 653 (except section 6.4.3, Alternative Internal Inspection Interval)(incorporated by reference, see § 195.3). However, if structural conditions prevent access to the tank bottom, its integrity may be assessed according to a plan included in the operations and maintenance manual under § 195.402(c)(3). The risk-based internal inspection procedures in API Std 653, section 6.4.3 cannot be used to determine the internal inspection interval.***

The Notice alleged that Sunoco failed to inspect the physical integrity of in-service atmospheric and low-pressure steel aboveground breakout tank according to American Petroleum Institute (API) Standard 653 (incorporated by reference into 49 C.F.R. Part 195, see § 195.3(b)(19)), as prescribed in § 195.432(b). Specifically, Sunoco did not conduct an external inspection for Tank 4 at its Icedale breakout tank facility within the 5-year interval specified under API Standard 653 Section 6.3.2.1 – External Inspection (Section 6.3.2.1). which states:

All tanks shall be given a visual external inspection by an authorized inspector. This inspection shall be called the external inspection and must be conducted at least every 5 years or $RCA/4N$ years (where RCA is the difference between the measured shell thickness and the minimum required thickness in mils, and N is the shell corrosion rate in mils per year) whichever is less. Tanks may be in operation during this inspection.

During the inspection, the PHMSA inspector reviewed API Standard 653 external inspection reports for Sunoco's Icedale breakout tank facility. The records indicated that external inspections were conducted for its Tank 4 on June 26, 2009 and February 5, 2015. This exceeded the 5-year maximum interval specified in Section 6.3.2.1 by approximately 7.5 months. Therefore, Sunoco failed to inspect its Tank 4 per API Standard 653 Section 6.3.2.1 requirements regarding internal inspection.

Response – SPLP follows Company SOP HLT.05 'Inspection of In-Service Breakout Tanks'. This SOP identifies the required inspection frequencies for all regulated atmospheric and low-pressure steel aboveground breakout tanks and specifically specifies that the API 653 required external inspections are conducted at least every five (5) years, while a tank is in service, unless the measured corrosion rates indicate that the interval be shorter.

SPLP will continue to ensure that all required API 653 breakout tank inspections are scheduled and performed in a manner that is compliant with the requirements of 49 C.F.R. § 195.432 and HLT.05. Specifically, Tank 4 at the SPLP Icedale facility is scheduled for external in-service API 653 inspection on or prior to February 5, 2020.