



October 8, 2020

**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-1-2020-5012W  
Warning Letter**

Mr. Burrough,

The Warning Letter referenced above and dated September 04, 2020(letter) was received by Sunoco Pipeline L.P. (SPLP or Company) on September 8, 2020 via electronic mail. SPLP is a subsidiary of Energy Transfer (ET).

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 and should you have any questions or concerns please contact me at (713) 989-7126 or via email at [todd.nardozzi@energytransfer.com](mailto: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  
Mark Milliken



**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 adequately conduct external visual inspections for Tanks 510 and 511 at its Montello breakout tank facility as specified under API Standard 653 Section 6.3.1.3 – Routine In-Service Inspections (Section 6.3.1.3)

Section 6.3.1.3 stated in part:

*This routine in-service inspection shall include a visual inspection of the tank’s exterior surfaces. Evidence of leaks; shell distortions; signs of settlement; corrosion; and condition of the foundation, paint coatings, insulation systems, and appurtenances should be documented for follow-up action by an authorized inspector.*

During the inspection, the PHMSA inspector reviewed API Standard 653 monthly inspection reports for Sunoco’s Montello breakout tank facility. Records retained for monthly inspections of Tanks 510 and 511 between January 2017 until the time of the inspection indicated “Check Leak Detection Ports” on the inspection form were marked “NA”. During the field inspection, the PHMSA inspector identified leak detection ports in place on both Tanks 510 and 511. Records indicated that Tanks 510 and 511 had double bottoms, including leak detection ports, installed in 2006 and 2004, respectively.

Therefore, Sunoco failed to adequately inspect its Tanks 510 and 511 per API Standard 653 Section 6.3.1.3 requirements.

**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 includes the items identified in API Standard 653, Section 6.3.1.3 for inclusion in the required monthly in-service inspections.

SPLP addressed the subject issue by installing valves on the leak detection ports that can be readily opened to detect for leaks during the required monthly in-service inspection(s). Additionally, personnel responsible for the maintenance of the breakout tanks at the Montello facility were retrained to ensure these leak detection ports are utilized appropriately during the required monthly in-service inspection(s). This information was provided to and reviewed by PHMSA during the close-out meeting for the July 29, 2019 to August 1, 2019 inspection.