

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 31, 2020

Keith P. Onderdonk
Vice President, Operational Support
Suburban Propane, L.P.
240 Route 10 West
Whippany, NJ 07981

CPF 2-2020-0002W

Dear Mr. Onderdonk:

From August 19 to 22, 2019, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Southern Region, Office of Pipeline Safety (OPS), inspected Suburban Propane, L.P. ("Suburban") liquefied petroleum gas (LP-Gas) records and selected procedures in Suburban's Sarasota, Florida, office and pipeline facilities in Sarasota County, Florida, pursuant to Chapter 601 of 49 United States Code (U.S.C.).

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

1. § 192.11 Petroleum gas systems.

....

(b) Each pipeline system subject to this part that transports only petroleum gas or petroleum gas/air mixtures must meet the requirements of this part and of ANSI/NFPA 58 and 59.

Suburban failed to meet the requirements of the regulation because its pipeline systems that transported petroleum gas did not meet the requirements of NFPA 58 (2004)¹, as follows:

A. NFPA 58 § 5.7.11.4

Connections to ASME containers installed underground shall be located within a substantial dome, housing, or manhole and shall have a cover.

....

(B) Such manholes or housings shall be ventilated.

(C) The area of ventilation openings shall equal or exceed the combined discharge areas of the pressure relief devices and other vent lines that discharge into the manhole or housing.

Suburban failed to meet the requirements of NFPA 58 § 5.7.11.4 (B) and (C), which, in part, required that the area of ventilation openings equaled or exceeded the combined discharge areas of pressure relief devices and vent lines that discharged into the manhole or housing.

The PHMSA inspector observed and documented that the area of ventilation openings for manhole covers at Siesta Royal Apartments (500) and Siesta Royal Apartments (1000) did not exceed the combined discharge areas of the container relief and the first-stage regulators that discharged into the manhole.

B. NFPA 58 § 6.7.4.5

The point of discharge from the required pressure relief device on regulating equipment installed outside of buildings in fixed piping systems shall be located not less than 3 ft (1 m) horizontally away from any building opening below the level of such discharge, and not beneath any building unless this space is well ventilated to the outside and is not enclosed for more than 50 percent of its perimeter.

Suburban failed to meet the requirements of NFPA 58 § 6.7.4.5, which, in part, required it to install the point of discharge of pressure regulating equipment, installed outside of buildings, not less than 3 feet horizontally away from any building opening below the level of such discharge.

The PHMSA inspector observed and documented second-stage regulators whose point of discharge was located less than 3 feet horizontally away from building openings below the level of the discharge on the Sea Crest Apartments, Siesta Royal Apartments (500), Siesta Royal Apartments (1000), and Siesta Sun Apartments LP-Gas distribution systems.

C. NFPA 58 § 6.7.4.6

The point of discharge [of a regulator] shall also be located not less than 5 ft (1.5 m) in any direction away from any source of ignition, openings into direct-vent (sealed combustion system) appliances, or mechanical ventilation air intakes.

¹ The 2004 edition of NFPA 58, "Liquefied Petroleum Gas Code (LP-Gas Code)," is the edition currently incorporated, by reference, in § 192.7.

Suburban failed to meet the requirements of NFPA 58 § 6.7.4.6, which, in part, required it to install the point of discharge of regulators not less than 5 feet in any direction away from any source of ignition.

The PHMSA inspector observed and documented second-stage regulators whose point of discharge was located less than 5 feet away from a source of ignition on the Fairway Crossings Apartments, Sea Crest Apartments, Siesta Royal Apartments (1000), and Siesta Sun Apartments LP-Gas distribution systems.

2. § 192.365 Service lines: Location of valves.

(a) *Relation to regulator or meter.* Each service-line valve must be installed upstream of the regulator or, if there is no regulator, upstream of the meter.

Suburban did not meet the requirements of the regulation because it did not install service-line valves upstream of regulators.

During the field inspection of Suburban's LP-Gas distribution systems, the PHMSA inspector identified two service-line valves, at the Siesta Royal Apartments, that were installed downstream of the service regulator.

3. § 192.465 External corrosion control: Monitoring.

(a) Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of §192.463. However, if tests at those intervals are impractical for separately protected short sections of mains or transmission lines, not in excess of 100 feet (30 meters), or separately protected service lines, these pipelines may be surveyed on a sampling basis. At least 10 percent of these protected structures, distributed over the entire system must be surveyed each calendar year, with a different 10 percent checked each subsequent year, so that the entire system is tested in each 10-year period.

Suburban failed to meet the requirements of the regulation because it did not test each pipeline that was under cathodic protection at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection met the requirements of §192.463.

A review of Suburban Cathodic Protection Survey records showed that Suburban did not test each pipeline under cathodic protection at least once each calendar year, as follows:

- No calendar year 2017 cathodic protection surveys for:
 - Fairway Crossing Apartments
 - Siesta Sun Apartments
- No calendar year 2018 cathodic protection surveys for:
 - Sea Crest Apartments
 - Siesta Royal Apartments (500)
 - Siesta Royal Apartments (1000)

- Siesta Sun Apartments

4. § 192.465 External corrosion control: Monitoring.

....

(d) Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring.

Suburban failed to meet the requirements of the regulation because it did not take prompt remedial action to correct deficiencies indicated by its external corrosion control monitoring.

Cathodic protection survey records showed that Suburban identified low² cathodic protection potentials on two systems, Siesta Royal Apartments (1000) and Siesta Sun Apartments systems, for which it did not take sufficient actions to correct the deficiencies.

Of the four test points along the steel mains and services at Siesta Royal Apartments (1000), the following are those that did not meet the -850 mV criterion:

Test Point:	110 ft	210 ft	315 ft	415 ft
June 23, 2015	met criterion	met criterion	-360 mV	met criterion
April 21, 2016	met criterion	-780 mV	-70 mV	-620 mV
May 24, 2017	met criterion	met criterion	-150 mV	-680 mV
2018	No cathodic protection survey in 2018. Addressed in Item Error! Reference source not found. of this letter.			
January 8, 2019	-825 mV	-805 mV	- 605 mV	-573 mV

Of the three test points along the steel mains and services at Siesta Sun Apartments, the following are those that did not meet the -850 mV criterion:

Test Point:	55 ft	295 ft	End
June 23, 2015	-845 mV	met criterion	not read
April 21, 2016	-520 mV	-830 mV	-820 mV
2017	No cathodic protection surveys in 2017 and 2018. Addressed in Item Error! Reference source not found. of this letter.		
2018			
January 8, 2019	-508 mV	-826 mV	-745 mV

5. § 192.603 General provisions.

....

(b) Each operator shall keep records necessary to administer the procedures

² The criteria for cathodic protection are contained in 49 CFR Part 192, Appendix D. The criterion being referenced in this letter is a negative (cathodic) voltage of at least 850 mV with reference to a saturated copper-copper sulfate half-cell. Accordingly, a low reading is any reading less negative than -850 mV.

established under §192.605.

Suburban failed to meet the requirements of the regulation because it did not keep records necessary to administer the procedures established under §192.605. Specifically, Suburban did not keep the records demonstrating that it:

- A. Established and maintained liaison with appropriate fire, police, and other public officials in accordance with § 192.615(c).

While Suburban had records for liaison activities that occurred in 2019, it did not have records that it conducted liaison activities in accordance with § 192.615(c) and exchanged the information identified in § 192.615(c)(1) to (4) with these officials in 2016, 2017, or 2018.

- B. Patrolled its distribution systems at required frequencies in accordance with § 192.721(b).

While Suburban had some records that it patrolled its mains at the frequencies identified in § 192.721(b), it did not have records to show that it met these requirements in 2017 and 2018 for all 5 of its LP-Gas distribution systems. Suburban personnel said that its employees patrolled the mains more frequently than required, including during monthly meter reading, but that the patrols and any findings were not being documented.

In relation to the above identified items, and other types of records, Suburban personnel stated their intention to enhance their documentation and record keeping processes.

6. § 192.614 Damage prevention program.

....

(b) An operator may comply with any of the requirements of paragraph (c) of this section through participation in a public service program, such as a one-call system, but such participation does not relieve the operator of responsibility for compliance with this section. However, an operator must perform the duties of paragraph (c)(3) of this section through participation in a one-call system, if that one-call system is a qualified one-call system. In areas that are covered by more than one qualified one-call system, an operator need only join one of the qualified one-call systems if there is a central telephone number for excavators to call for excavation activities, or if the one-call systems in those areas communicate with one another. An operator's pipeline system must be covered by a qualified one-call system where there is one in place. For the purpose of this section, a one-call system is considered a “qualified one-call system” if it meets the requirements of section (b)(1) or (b)(2) of this section.

Suburban did not meet the regulation because it did not comply with the requirements that it perform the duties of paragraph (c)(3) of this section through participation in a qualified one-call system.

When asked for documentation demonstrating that Suburban’s Sarasota office was participating in a qualified one-call system and that the system covered all of its LP-Gas distribution systems, Suburban provided information showing that the Sarasota office

participated in the State of Florida’s qualified one-call system – Florida Sunshine 811. The information further showed that Suburban’s LP-Gas distribution systems were not covered until on or around August 16, 2019. Prior to that date, Suburban’s Sarasota office did not participate in and its pipeline systems were not covered by Florida Sunshine 811.

7. §192.625 Odorization of gas.

....

(f) To assure the proper concentration of odorant in accordance with this section, each operator must conduct periodic sampling of combustible gases using an instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable. Operators of master meter systems may comply with this requirement by—

(1) Receiving written verification from their gas source that the gas has the proper concentration of odorant; and

(2) Conducting periodic “sniff” tests at the extremities of the system to confirm that the gas contains odorant. § 192.603

Suburban did not meet the regulation because it did not assure the proper concentration of odorant, in accordance with this section, by conducting periodic sampling of combustible gases using an instrument capable of determining the percentage of gas in air at which the odor became readily detectable.

Suburban attempted to comply with the regulation through sniff testing. However, sniff testing cannot determine the percentage of gas, in air, at which the odor becomes readily detectable. In an inspection follow-up, Suburban provided an invoice for the purchase of an instrument capable of determining the percentage of gas, in air, at which the odor becomes readily detectable.

8. § 192.707 Line markers for mains and transmission lines.

....

(c) Pipelines aboveground. Line markers must be placed and maintained along each section of a main and transmission line that is located aboveground in an area accessible to the public.

Suburban failed to meet the regulation because it did not place and maintain line markers along each section of main located aboveground in areas accessible to the public.

During field inspections, the PHMSA representative observed mains, in the vicinity of the buried ASME containers, located aboveground in areas accessible to the public, where line markers had not been placed and maintained on the following systems: Fairway Crossing Apartments, Sea Crest Apartments, Siesta Royal Apartments (500), and Siesta Royal Apartments (1000).

9. § 192.739 Pressure limiting and regulating stations: Inspection and testing.

(a) Each pressure limiting station, relief device (except rupture discs), and pressure regulating station and its equipment must be subjected at intervals not exceeding 15 months, but at least once each calendar year, to inspections and tests to

determine that it is—

- (1) In good mechanical condition;**
- (2) Adequate from the standpoint of capacity and reliability of operation for the service in which it is employed;**
- (3) Except as provided in paragraph (b) of this section, set to control or relieve at the correct pressure consistent with the pressure limits of §192.201(a); and**
- (4) Properly installed and protected from dirt, liquids, or other conditions that might prevent proper operation.**

Suburban failed to meet the regulation because it did not inspect and test each pressure regulating station and its equipment at intervals not exceeding 15 months, but at least once each calendar year.

A review of Regulator Inspection Reports revealed that Suburban did not perform annual inspection and testing of its pressure regulating stations and associated equipment, as follows:

- No calendar year 2017 Regulator Inspection Reports for
 - Fairway Crossing Apartments
- No calendar year 2018 Regulator Inspection Reports for
 - Sea Crest Apartments
 - Siesta Royal Apartments (500)
 - Siesta Royal Apartments (1000)
 - Siesta Sun Apartments

10. § 192.747 Valve maintenance: Distribution systems.

(a) Each valve, the use of which may be necessary for the safe operation of a distribution system, must be checked and serviced at intervals not exceeding 15 months, but at least once each calendar year.

Suburban failed to meet the regulation because it did not check and service each valve, the use of which may be necessary for the safe operation of a distribution system, at intervals not exceeding 15 months, but at least once each calendar year.

A review of Key Valve Inspection Reports revealed that Suburban did not check and service its distribution system valves, as follows:

- No calendar year 2017 Key Valve Inspection Reports for
 - Fairway Crossing Apartments
- No calendar year 2018 Key Valve Inspection Reports for
 - Sea Crest Apartments
 - Siesta Royal Apartments (500)
 - Siesta Royal Apartments (1000)
 - Siesta Sun Apartments

11. § 192.805 Qualification program.

Each operator shall have and follow a written qualification program. The program shall include provisions to:

....

(b) Ensure through evaluation that individuals performing covered tasks are qualified;

Suburban failed to meet the regulation because it did not ensure through evaluation that individuals performing covered tasks were qualified. More specifically, Suburban allowed one of its employees (“Employee-1”) to perform a covered task after the qualification for the task had expired.

A review of Cathodic Protection Survey and operator qualification records revealed that Employee-1 conducted cathodic protection surveys on four LP-Gas distribution systems on or about January 8, 2019. Qualification records showed that Employee-1 last qualified on covered task *I-1.IP Measure Structure to Electrolyte Potential* on February 19, 2015, and that the qualification was valid for a period of 3 years. Suburban did not have any records to demonstrate it requalified Employee-1 for the task between the time the qualification expired on February 19, 2018, and when the task was performed on January 8, 2019. Suburban requalified Employee-1 on November 12, 2019.

12. § 192.1015 What must a master meter or small liquefied petroleum gas (LPG) operator do to implement this subpart?

....

(a) Elements. A written integrity management plan must address, at a minimum, the following elements:

....

(5) Measure performance, monitor results, and evaluate effectiveness. The operator must monitor, as a performance measure, the number of leaks eliminated or repaired on its pipeline and their causes.

Suburban failed to meet the regulation because it did not monitor, as a performance measure, the number of leaks eliminated or repaired on its pipelines and their causes.

When asked for records demonstrating that Suburban had monitored number of leaks eliminated or repaired on its pipeline systems and their causes for calendar years 2016 to 2018, Suburban did not have any records or other documentation to demonstrate that it had monitored the performance measure.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, Suburban Propane, L.P. is subject to a civil penalty not to exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed \$213,268 per violation per day, with a maximum penalty not to exceed \$2,132,679. 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.

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 items identified in this letter to the extent practicable. Failure to do so will result in Suburban Propane, 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 2-2020-0002W**. 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,

James A. Urisko
Director, Office of Pipeline Safety
PHMSA Southern Region