



U.S. Department
of Transportation

**Research and
Special Programs
Administration**

400 Seventh Street, S.W.
Washington, D.C. 20590

DEC - 3 2002

Mr. Thomas L. Shaw
Vice President, Operations
Marathon Ashland Pipe Line LLC
539 South Main Street
Findlay, OH 45840-3295

Re: CPF No. 36520

Dear Mr. Shaw:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes a finding of violation and assesses a civil penalty of \$25,000. The penalty payment terms are set forth in the Final Order. This enforcement action closes automatically upon payment. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

Gwendolyn M. Hill
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590

In the Matter of)
Marathon Ashland Pipe Line LLC,)
Respondent.)
_____)

CPF No. 36520

FINAL ORDER

On June 17-18, 1995, pursuant to 49 U.S.C. § 60117, a representative of the Office of Pipeline Safety (OPS) conducted an investigation of the June 16, 1995, accident involving Respondent's pipeline in Clinton, Ohio. As a result of the investigation, the Director, Central Region, OPS, issued to Respondent, by letter dated October 22, 1996, a Notice of Probable Violation and Proposed Civil Penalty (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. § 195.406 and proposed assessing a civil penalty of \$50,000 for the alleged violation.

By letter dated November 18, 1996, Respondent requested additional time to respond to the Notice. By letter dated December 9, 1996, OPS granted Respondent an extension until January 17, 1997 to respond to the Notice. Respondent responded to the Notice by letter dated January 14, 1997. Respondent did not contest the allegation of violation but provided information concerning the corrective actions it had taken. Respondent did not request a hearing, consequently, Respondent waived its right to one.

FINDING OF VIOLATION

Uncontested violation

Respondent did not contest the alleged violation in the Notice. Accordingly, I find that Respondent violated the following section of 49 C.F.R. Part 195, as more fully described in the Notice:

49 C.F.R. § 195.406(b) – failing to provide adequate controls and protective equipment to control the pressure in its 8-inch tank line at Clinton Pump Station and Tank Farm during surges or other variations from normal operations and to prevent the pressure from exceeding 110% of the maximum operating pressure established under § 195.406(a).

ASSESSMENT OF PENALTY

Under 49 U.S.C. § 60122, Respondent is subject to a civil penalty not to exceed \$25,000 per violation for each day of the violation up to a maximum of \$500,000 for any related series of violations.

49 U.S.C. § 60122 and 49 C.F.R. § 190.225 require that, in determining the amount of the civil penalty, I consider the following criteria: nature, circumstances, and gravity of the violation, degree of Respondent's culpability, history of Respondent's prior violations, Respondent's ability to pay the penalty, good faith by Respondent in attempting to achieve compliance, the effect on Respondent's ability to continue in business, and such other matters as justice may require.

Respondent's 8-inch tank line failed after being isolated for nearly three months during tank cleaning. During this period the pipe was left full of unleaded gasoline despite the absence of any mechanism to relieve pressure surges attributed to sun (direct sunlight) or thermal temperature increases. Increased pressure resulting from thermal expansion in the isolated pipe is thought to have caused the longitudinal lap-weld seam of the pipe to fail, spilling approximately 5,264 barrels of unleaded gasoline.

Between June 19 and June 23, 1996, Respondent repaired the tank line by removing a 25-foot segment containing the failed section and replacing it with new 8-inch pipe. Respondent then hydrotested all of its tank lines and installed thermal relief valves on all lines at Clinton Station. Respondent also made prompt changes to its Operations Manual and to its practices to prevent a recurrence of thermal pressure-related failures at this facility. Respondent paid for the spill cleanup and long term environmental remediation.

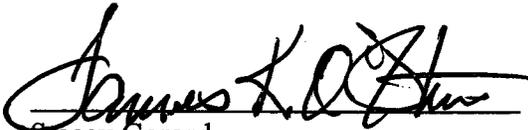
The Notice proposed a penalty of \$50,000 for violation of 49 C.F.R. § 195.406(b). Although Respondent should have provided the 8-inch tank line with pressure controls during the tank cleaning, Respondent addressed the resulting leak, its consequences, and the tank line's lack of thermal pressure controls quickly and comprehensively. Accordingly, having reviewed the record and considered the assessment criteria, a reduction will be made in the amount of the proposed penalty. I assess Respondent a civil penalty of \$25,000 for violation of § 195.406(b). A determination has been made that Respondent has the ability to pay this penalty without adversely affecting its ability to continue in business.

Payment of the civil penalty must be made within 20 days of service. Federal regulations (49 C.F.R. § 89.21(b)(3)) require this **payment be made by wire transfer**, through the Federal Reserve Communications System (Fedwire), to the account of the U.S. Treasury. **Detailed instructions are contained in the enclosure.** After completing the wire transfer, send a copy of the **electronic funds transfer receipt** to the **Office of the Chief Counsel (DCC-1)**, Research and Special Programs Administration, Room 8407, U.S. Department of Transportation, 400 Seventh Street, SW, Washington, DC 20590-0001.

Questions concerning wire transfers should be directed to: Federal Aviation Administration, Mike Monroney Aeronautical Center, Financial Operations Division (AMZ-120), P.O. Box 25770, Oklahoma City, OK 73125; (405) 954-4719.

Failure to pay the \$25,000 civil penalty will result in accrual of interest at the current annual rate in accordance with 31 U.S.C. § 3717, 31 C.F.R. § 901.9 and 49 C.F.R. § 89.23. Pursuant to those same authorities, a late penalty charge of six percent (6%) per annum will be charged if payment is not made within 110 days of service. Furthermore, failure to pay the civil penalty may result in referral of the matter to the Attorney General for appropriate action in an United States District Court.

Under 49 C.F.R. § 190.215, Respondent has a right to petition for reconsideration of this Final Order. However, upon payment of the civil penalty, the case closes automatically and Respondent waives the right to petition for reconsideration. The filing of the petition automatically stays the payment of any civil penalty assessed. The petition must be received within 20 days of Respondent's receipt of this Final Order and must contain a brief statement of the issue(s). The terms and conditions of this Final Order are effective upon receipt.



for Stacey Gerard
Associate Administrator
for Pipeline Safety

DEC - 3 2002

Date Issued