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June 1, 2012

Via Certified Mail: 70113500000016381279

David Barrett
Director, Central Region
Pipeline and Hazardous Materials Safety Administration
901 Locust Street, Suite 462
Kansas City, MO 64106-2641

RE: Response to Notice of Probable Violation
Proposed Civil Penalty and Proposed Compliance Order
CPF 3-2012-5008

Dear Mr. Barrett:

This correspondence is a request for additional consideration to the Notice of Probable Violation Proposed Civil Penalty ("NOPV") and Proposed Compliance Order issued to Marathon Pipe Line LLC ("MPL") on April 26, 2012. The NOPV was issued in response to an inspection conducted from July 12, 2010 through December 3, 2010 by Mr. Darren Lemmerman. In addition to the information that we would like considered, this correspondence includes a revised Compliance Order that MPL believes more appropriately satisfies the inspection findings. Accordingly, we are asking that PHMSA consider the following:

1. NOPV Item Number 2 states that MPL did not follow its written procedures for designating mainline valves in that it did not designate nine mainline valves for inspection twice each calendar year not to exceed fifteen months.

Nine valves were alleged to have not been designated as mainline valves although they were stated to meet MPL's criteria as mainline valves in their written procedures. As a result, there was an allegation that all nine valves were not inspected twice each year.

The nine valves referenced were as follows:

1. 112015 PL1 Hartford HWRT scraper trap mainline valve. (1)
2. VALV – 02065 PL1 pig trap on the Woodriver to Clermont line. (1)
3. VALV – 020566 HWRT valve on the pig trap. (1)
4. At the Explorer Station, the lateral line valve. (1)
5. The valve on the pig launcher at Martinsville 6751 +39 MLV. (1)
6. The valves inside of Marathon's Speedway station, including those at the pig receiver and other laterals. (2)
7. At the Cardinal station, valves IM12 and IM11. (2)

In general, mainline valves are valves positioned at locations along a pipeline system that can be closed to isolate a line section. While 49 C.F.R. Part 195 does not define a “mainline valve,” previous decisions from PHMSA state that a “common sense approach” is needed in order to define what a mainline valve is. It is the operator’s obligation to define what a mainline valve is and to ensure that every mainline valve is inspected appropriately, all based on safety needs and respectful of the location requirements in 49 C.F.R. 195.260.

MPL has in fact defined “mainline valve” in its standard MPLMNT115:

Mainline Valve: Mainline valves are valves capable of full volume flow of the mainline which: (1) are used to isolate mainline sections or (2) are the first valve off the mainline in a lateral line used to isolate the mainline from other facilities (i.e., pump station, tank farm, low pressure manifold, etc.).

MPL has further divided full flow valves by defining, in the standard, “Non-Mainline Valve.” In other words, and perhaps confusingly with a quick review, the MPL standard divides the universe of full flow valves into two classes: Mainline and Non-Mainline.

The definition of Non-Mainline Valve in the standard is:

Non-Mainline valves are capable of full volume flow of the mainline and are located within a facility that is isolated by the Mainline Valves that are located within or directly adjacent to the facility (station, junction, etc.). Examples of Non-Mainline Valves include but are not limited to unit suction, unit discharge, bypass, control, manifold, and tank valves.

With these definitions in mind, a review of the nine listed valves will indicate that six of the nine claims are in error because they were classified in the NOPV as Mainline Valves when they are in fact Non-Mainline Valves and not subject to the twice yearly inspection requirement:

1. 112015 PL1 Hartford HWRT scraper trap mainline valve: Correctly identified as a Mainline Valve; however since the inspection, this valve has been placed on a semi-annual inspection route and has successfully passed inspections.
2. VALV – 02065 PL1 pig trap on the Woodriver to Clermont line: Incorrectly identified per MPL’s definition. This is a Non-Mainline Valve and not a Mainline Valve.
3. VALV – 020566 HWRT valve on the pig trap: Incorrectly identified per MPL’s definition. This is a Non-Mainline Valve and not a Mainline Valve.
4. At the Explorer Station, the lateral line valve: Incorrectly identified per MPL’s definition. This is a Non-Mainline Valve and not a Mainline Valve.
5. The valve on the pig launcher at Martinsville 6751 +39 MLV: Incorrectly identified per MPL’s definition. This is a Non-Mainline Valve and not a Mainline Valve.

6. The valves inside of Marathon's Speedway station, including those at the pig receiver and other laterals: Incorrectly identified per MPL's definition. These are Non-Mainline Valves and not Mainline Valves.
7. At the Cardinal station, valves IM12 and IM11: Correctly identified as Mainline Valves; however, subsequent valve additions have caused reclassification to Non-Mainline Valve status.

To help provide clarity and to demonstrate proper classification according to the standard, six drawings showing the piping configurations and valve locations are attached.

1. 112015 PL1 Hartford HWRT scraper trap mainline valve. See Drawing NOPV-1
2. VALV – 02065 PL1 pig trap on the Woodriver to Clermont line. See Drawing NOPV-2
3. VALV – 020566 HWRT valve on the pig trap. See Drawing NOPV-2
4. At the Explorer Station, the lateral line valve. See Drawing NOPV-3
5. The valve on the pig launcher at Martinsville 6751 +39 MLV. See Drawing NOPV-4
6. The valves inside of Marathon's Speedway station, including those at the pig receiver and other laterals. See Drawing NOPV-5
7. At the Cardinal station, valves IM12 and IM11. See Drawing NOPV-6

MPL respectfully requests the NOPV be revised by removing references to the Non-Mainline Valves, leaving only references to the three properly classified Mainline Valves. MPL also requests an adjustment of the penalty to \$18,000. All of the valves have good integrity history and none have presented any significant safety risks. None are located in remote or isolated locations and all are observed on a routine basis.

MPL will ensure that 112015 PL1 Hartford HWRT scraper trap will receive inspections twice each calendar year not to exceed fifteen months. Valves IM12 and IM11 at the Cardinal station no longer require semi-annual inspections as a new valve has been installed which now serves as the Mainline Valve. This valve is on a semi-annual inspection route and was inspected upon commissioning.

2. In regard to Item Number 4 of the NOPV, MPL acknowledges that a liaison relationship with local emergency responders and agencies is important to efficiently respond to an emergency. In recognizing the importance of a liaison relationship, MPL holds public awareness meetings in the counties it traverses to educate emergency responders and agencies on how they can best assist in the event of an emergency. During these meetings, MPL requests that the emergency responders and agencies identify their response resources that could be beneficial when responding to an emergency. Recognizing that not all emergency responders and agencies attend these meetings, MPL sends informative packets to the emergency responders and agencies and requests responses with their capabilities. MPL captures all provided information in a database.

MPL is initiating an effort to identify fire, police and government agencies within a defined buffer zone of its operated assets. MPL will then compare those emergency responders and agencies to the information in the database. For the emergency responders and agencies that are not in the database, MPL will attempt to contact them and request they identify their response capabilities. All provided information will be captured in a MPL database.

MPL is participating in the development of an API/AOPL work group to further improve emergency response communications and preparedness with the emergency responders and agencies. The workgroup will focus on topics including but not limited to: (i) creating an Emergency Responder Advisory Council to better understand stakeholders' perspective, culture, needs and issues, (ii) developing a technology-based education and training portal, (iii) deploying an improved communication model for sharing incident scenarios, lessons learned and public awareness messages with first responders and (iv) enhancing how MPL conducts its preparedness and drill activities to address constraints experienced by both career and volunteer responders along our rights-of-way. This is ongoing at this time.

3. Item Number 5 of the NOPV alleges that MPL did not maintain current maps of its pipeline systems. MPL will conduct a review of its alignment sheets as outlined in the Compliance Order to address any incorrect or omitted elevation, legend, valve location, pipe coating, pipe wall thickness and grade information.

GIS data is complex and includes a multitude of collection devices, storage, data layering and CAD interfaces. Time and resources are necessary to conduct the requested review, and therefore, MPL suggests that an appropriate policy approach for PHMSA would be one that patiently assists and supports this significant review, without sacrificing the importance of mapping accuracy. For these reasons, MPL requests the time that is necessary to complete the undertaking and propose to have it completed by July 1, 2013.

4. Item Number 7 of the NOPV states that MPL did not inspect its Mainline Valves at Philips Junction and Brownsburg twice each calendar year not to exceed 7 ½ months. Since the inspection, these valves have successfully passed inspections on a semi-annual basis, have not and do not present significant safety risks and are not located in remote or isolated locations. For these reasons, MPL respectfully requests that an adjustment of the penalty be made to \$12,000.

5. Item Number 8 of the NOPV alleges that MPL did not inspect all thermal relief valves at the following nine locations:

1. Harrison: Incorrectly cited. MPL does not operate this location.
2. East Sparta: Incorrectly cited. NOPV did not provide enough information.
3. Robinson: Incorrectly cited. NOPV did not provide enough information.
4. Louisville Algonquin terminal: Correctly identified and will be addressed in the Compliance Order.

5. Wood River terminal: Correctly identified; however since the inspection, the local area has identified, tagged and inspected the thermal relief valves which missed annual inspections.
6. Patoka: Incorrectly cited. NOPV did not provide enough information.
7. Martinsville: Incorrectly cited. NOPV did not provide enough information.
8. Clermont: Incorrectly cited. NOPV did not provide enough information.
9. Findlay: Incorrectly cited. Findlay RV6 was inspection on April 4, 2009.

In regard to the Findlay RV6 inspection, the inspection was completed on April 4, 2009 which is within the required timeframe. Once the inspection of Findlay RV6 was completed, the technician entered "Tested RV6" into the comment tab in the database to document the inspection was completed. The database has a time and date stamp for entries. In this case, the database indicates that the inspection was completed on April 9, 2009 at 14:23. The confusion lies in the fact that the work order was subsequently reopened and closed on July 13, 2009 to allow a technician to fix a typographical error in the paperwork. When the work order was reopened and closed it appeared that the inspection was not completed until July 13, 2009 which is not the case. Attached is a screenshot of the comment tab evidencing that the inspection was completed on time. See Attachment No. 1.

In sum, MPL requests that the NOPV is corrected to only reflect the missed inspections at the Louisville Algonquin and Wood River terminals.

6. Item Number 9 of the NOPV states that MPL did not demonstrate that each pipeline segment contains a cathodic protection test lead for each segment. MPL is committed to the principals and practices of cathodic protection and believes that its pipeline segments have adequate test leads to effectively manage the levels of cathodic protection. MPL will nevertheless conduct additional testing of its operational bonds to determine if any of those bonds should be reclassified and/or additional test leads installed.
7. Item Number 10 of the NOPV alleges that MPL has not consistently applied the maintenance requirements of thoroughly inspecting soil-to-air interfaces. While MPL believes its monitoring procedures are adequate, we are committed to continuous improvement and will review its procedures and make necessary improvements.

In conclusion, MPL requests revisions of the NOPV to reflect the following:

For Item Number 2:

1. Only three Mainline Valves (112015 PL1 Hartford HWRT scraper trap Mainline Valve and the Cardinal station, valves IM12 and IM11) were missed.
2. Adjustment of the penalty to \$18,000.

For Item Number 7:

1. Adjustment of the penalty to \$12,000.

For Item Number 8:

1. Only the inspections for Louisville Algonquin and Wood River terminals were missed.

In addition, MPL requests a revised Compliance Order to extend compliance deadline dates and to define the scope of work. In regard to Item Number 2, MPL requests to extend the compliance deadline date to 180 days after receipt of the final Compliance Order. Taking into account the amount of work hours required to complete an extensive analytical review of approximately 8,436 alignment sheets, MPL requests an extension of the compliance deadline date to July 1, 2013 for Item Number 5. In regard to Item Number 8, MPL requests to extend the compliance deadline date to 180 days after receipt of the final Compliance Order. In regard to Item Number 9, MPL also requests an extension of the compliance deadline date to no later than December 2, 2013 as MPL will need a significant amount of time to conduct the additional testing and reclassify the bond types, if necessary. MPL's proposed revisions are reflected in the attached revised Compliance Order. See Attachment No. 2.

In summary, MPL requests revisions of the Compliance Order to:

For Item Number 2:

1. Extend the compliance deadline date to 180 days after receipt of the final Compliance Order.

For Item Number 5:

1. Define the scope of work to elevation, legend, valve location, pipe coating, pipe wall thickness and grade information.
2. Extend the compliance deadline date to no later than July 1, 2013.

For Item Number 8:

1. Extend the compliance deadline date to 180 days after receipt of final Compliance Order.

For Item Number 9:

1. Extend the compliance deadline date to no later than December 2, 2013.

Should you have any questions or require additional information, please feel free to contact me.

Sincerely,

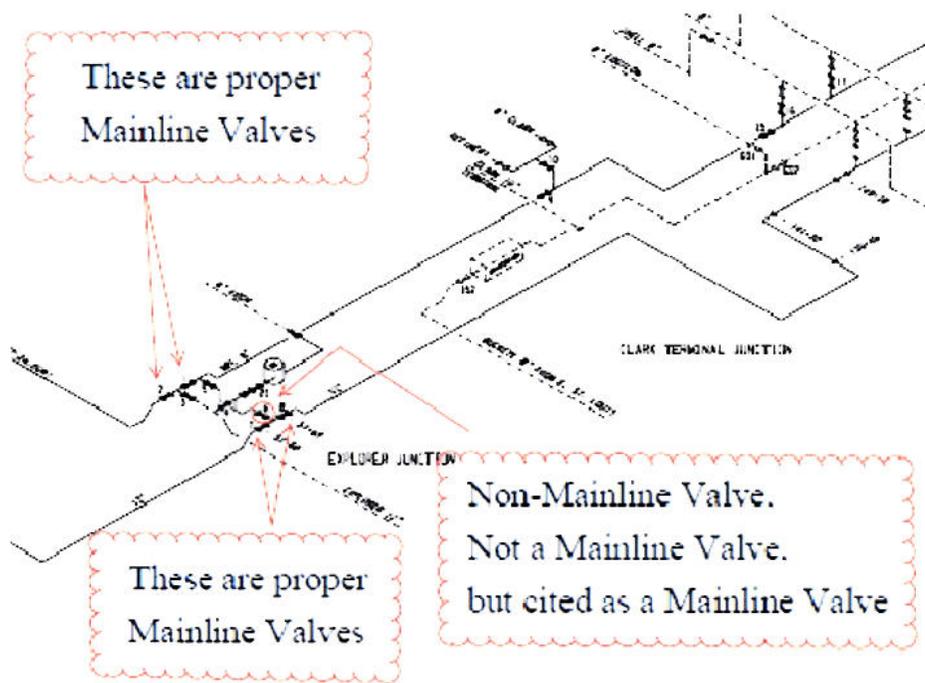


Shawn M. Lyon

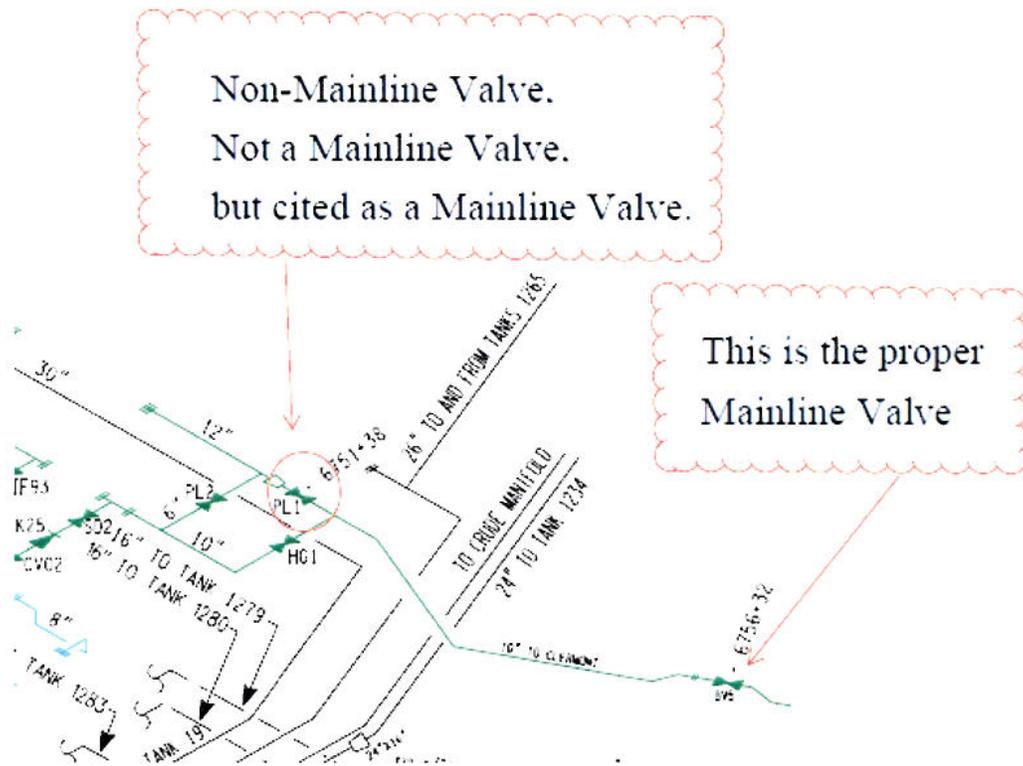
Enclosures



NOPV-3 (Valve #4 (...Explorer...))



NOPV-4 (Valve #5 (Martinsville pig...))





Work Order: 328797 Calibrate Annual Major DOT Pressure Relief Valve

List View Record View **Comments** Activities Book Labor Closing Documents

COMMENTS

Created - Phil Hinds(115599) [04/09/2009 14:23]:

Tested RV6

Created - Phil Hinds(115599) [04/15/2009 07:31]:

Tested RV 7.

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Marathon Pipe Line LLC (MPL) a Compliance Order incorporating the following remedial requirements to ensure the compliance of MPL with the pipeline safety regulations:

1. In regard to Item Number 2 of the Notice pertaining to Mainline Valves, no later than 180 days after receipt of the final Compliance Order, MPL will apply its definition to all valves on the pipeline system to determine additional valves requiring inspection. Each previously unidentified valve that meets the definition of Mainline Valves shall be added to the MPL valve inspection schedule and inspected in accordance with MPL's policy.
2. In regard to Item Number 5 of the Notice pertaining to alignment sheets, no later than July 1, 2013, MPL will review all its alignment sheets and the GIS system for incorrect or omitted elevation, legend, valve location, pipe coating, pipe wall thickness and grade information. Each alignment sheet will be reviewed for accuracy by a subject matter expert.
3. In regard to Item Number 8 of the Notice pertaining to the inspection of thermal relief valves, no later than 180 days after receipt of the final Compliance Order, MPL will review its facilities, identify all thermal relief devices and label them. MPL will inspect each thermal relief valve that is not current within its inspection cycle to determine it is functioning properly.
4. In regard to Item Number 9 of the Notice pertaining to having test leads on each segment of pipeline, no later than December 2, 2013, MPL will identify and document all locations of operational bonds. This identification will reveal the location of each segment of pipeline. MPL will then assure that each segment has a corresponding test lead. Segments identified without test leads shall have test leads installed.
5. Within 30 days after completion of each item above, MPL will submit documentation of the completed action.
6. It is requested that MPL maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to David Barrett, Director, Central Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.