

**NOTICE OF PROBABLE VIOLATION  
and  
PROPOSED CIVIL PENALTY**

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

January 8, 2013

Mr. Carl A. Ostach  
Vice President, Field Operations  
Buckeye Partners, L.P.  
Five TEK Park  
9999 Hamilton Boulevard  
Breinigsville, Pennsylvania 18031

**CPF 3-2013-5002**

Dear Mr. Ostach:

On April 12-15 and May 23-27, 2011, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Buckeye Partners, L.P.'s operations and maintenance records for the West Shore Pipe Line Company in Breinigsville, Pennsylvania, and conducted a field inspection in Illinois and Wisconsin.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation(s) are:

**1. § 195.404 Maps and records**

**(c) Each operator shall maintain the following records for the periods specified:**

**(3) A record of each inspection and test required by this subpart shall be maintained For at least 2 years or until the next inspection or test is performed, whichever is longer.**

§195.428 Overpressure safety devices and overflow protection systems

(a) Each operator shall, at intervals not exceeding 15 months, but at least once each calendar year, inspect and test each pressure limiting device, relief device, pressure regulator, or other item of pressure control equipment to determine that it is functioning properly, is in good mechanical condition, and is adequate from the standpoint of capacity and reliability of operation for the service in which it is used.

For the calendar years 2009 and 2010 Buckeye did not adequately document the inspection of approximately 10 discharge pressure switches and 14 discharge pressure transmitters that were utilized as overpressure safety devices.

A review of 11 work order entries of discharge pressure switches and 14 work order entries of discharge pressure transmitters that were used as overpressure safety devices in 2009-2010 on the West Shore pipeline, found that Buckeye did not adequately record the results of the inspections in its system. The records did not document that the devices were functioning properly, in good condition or the “as found” and “as left” condition and setting.

**2. § 195.412 Inspection of rights-of-way and crossings under navigable waters.**

**(b) Except for offshore pipelines each operator shall, at intervals not exceeding 5 years, inspect each crossing under a navigable waterway to determine the condition of the crossing.**

Buckeye did not inspect one crossing under a navigable water crossing to determine its condition within an interval not exceeding 5 years.

The underwater navigable waterway inspection for the 1/16 inch Fox River Lateral pipeline at Green Bay, Wisconsin, was last inspected on 11/23/10. Buckeye verbally communicated that the prior inspection was conducted on 4/19/05 although Buckeye had no record of the inspection. This inspection interval exceeded the 5 year interval from date of inspection to date of inspection by 7 months and 4 days.

Proposed Civil Penalty

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a related series of violations. The Compliance Officer has reviewed the circumstances and supporting documentation involved in the above probable violation(s) and has recommended that you be preliminarily assessed a civil penalty of \$26,300 as follows:

<u>Item number</u>	<u>PENALTY</u>
1	\$16,300
2	\$10,000

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. All material submitted in response to this enforcement action may be 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). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

In your correspondence on this matter, please refer to **CPF 3-2013-5002** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

David Barrett  
Director, Central Region  
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*