



July 1, 2015

Via Overnight Mail

JUL -2 2015

Mr. Allan C. Beshore
Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Administration
901 Locust Street, Suite 462
Kansas City, MO 64106-2641

RE: Sinclair Transportation Company Response to
Notice of Probable Violation - CPF 3-2015-5006

Mr. Beshore:

Sinclair Transportation Company ("Sinclair") respectfully submits the following responses to the Notice of Probable Violation, Proposed Civil Penalty and Proposed Compliance Order dated June 3, 2015.

Proposed Civil Penalty

Sinclair is not contesting the alleged violations in the Notice and will transfer funds by wire for payment in full of the proposed civil penalty on or before July 3, 2015.

Proposed Compliance Order

Sinclair is not contesting the proposed compliance order but requests that PHMSA incorporate the following modifications into the order:

Replace the existing Section 1.a, which reads as follows:

Within 90 days of the issuance of the Final Order: assess the integrity of the Missouri Pipeline at all locations where aboveground pipe is known to exhibit corrosion, make necessary repairs, clean and recoat the pipe at each location.

With the following proposed language:

Within 90 days of the issuance of the Final Order:

1. assess the integrity of the Missouri Pipeline at all locations where aboveground pipe is known to exhibit corrosion,
2. make necessary repairs to the pipe
3. clean and recoat the pipe at each *repaired* location.

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Replace the existing Section 1.b, which reads as follows;

Within 30 days of the issuance of the Final Order: furnish to the Director, Central Region, a plan and schedule to complete inspection and repair of aboveground pipe locations exhibiting bare soil to air transition areas.

- i. Perform the planned repairs within 12 months.
- ii. Furnish to the Director additional quarterly progress reports, and a final report upon completion of repairs.

With the following proposed language:

Within 30 days of the issuance of the Final Order: furnish to the Director, Central Region, a plan and schedule to complete inspection and repair of aboveground pipe locations exhibiting bare soil to air transition areas.

- i. Perform the planned repairs to transition area coatings within 18 months.
- ii. Furnish to the Director additional quarterly progress reports, and a final report upon completion of repairs.

Such modifications clarify the actions that Sinclair must take to comply with the Compliance Order and provide sufficient time for completion of the actions in an orderly and efficient manner. Sinclair is prepared to take the actions in the proposed compliance order upon due consideration by PHMSA to the modifications requested above.

Sinclair appreciates PHMSA's assistance in resolving the alleged violations and clarifying terms of the proposed compliance order. If you have any questions, please contact either me at 801-524-2852 or Jon Brown, Sinclair Regulatory Compliance Coordinator at 307-328-3643.

Very Truly Yours,
Sinclair Transportation Company



Mark A. Petersen
President

cc: Jon Brown, Regulatory Compliance Coordinator
David Stice, Corporate Attorney