

JUN 17 2009

VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED [7005 1160 0001 0046 9624]

Mr. David A. Justin
Vice President, Operations
Sunoco Pipeline L.P.
1735 Market St / 29th Floor
Philadelphia, PA 19103

Re: CPF No. 4-2007-5002

Dear Mr. Justin:

Enclosed is the Final Order issued in the above-referenced case. It makes findings of violation and finds that you have completed the actions specified in the Notice required to comply with the pipeline safety regulations. This case is now closed. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

In the Matter of)	
)	
Sunoco Pipeline, L.P.,)	CPF No. 4-2007-5002
)	
Respondent.)	
)	

FINAL ORDER

On August 1–4 and 15–17, 2006, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration’s Office of Pipeline Safety (OPS) and the New York Public Service Commission conducted an on-site pipeline safety inspection of the integrity management program (IMP) records and procedures of Sunoco Pipeline, L.P. (Sunoco or Respondent) at its office in Honey Brook, Pennsylvania. Sunoco owns and operates pipeline facilities that transport crude oil, refined petroleum products, and other hazardous liquids and gas in Pennsylvania, Texas, New Jersey, New York, Michigan, Ohio and Arkansas. As a result of the inspection, the Director, Southwest Region, OPS, issued to Respondent, by letter dated February 12, 2007, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had committed violations of 49 C.F.R. § 195.452 and proposed ordering Respondent to take certain measures to correct the alleged violations.

Respondent responded to the Notice by letter dated March 14, 2007 (Response). Respondent did not contest the allegations of violation and agreed to implement the terms of the proposed compliance order. Respondent submitted additional information concerning its corrective action on September 27, 2007 and February 29, 2008. Respondent did not request a hearing, and therefore has waived its right to one.

FINDINGS OF VIOLATION

In its Response, Respondent did not contest the allegations in the Notice that it had violated 49 C.F.R. § 195.452, as follows:

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 195.452(b)(2), which states:

§ 195.452 – Pipeline integrity management in high consequence areas.

(a) *Which pipelines are covered by this section?* This section applies to each hazardous liquid pipeline and carbon dioxide pipeline that could affect a high consequence area Covered pipelines are categorized as follows . . .

(3) Category 3 includes pipelines constructed or converted after May 29, 2001.

(b) *What program and practices must operators use to manage pipeline integrity?* Each operator of a pipeline covered by this section must . . .

(2) Include in [its integrity management] program an identification of each [Category 3] pipeline or pipeline segment . . . not later than the date . . . the pipeline begins operation.

The Notice alleged that Respondent failed to complete an analysis of high consequence areas (HCAs) for the Category 3 Wortham to Corsicana 24-inch pipeline prior to the date the pipeline began operation. The Notice also alleged that Respondent failed to include in its IMP a requirement that HCA analysis be completed prior to placing newly-constructed pipelines into service. Accordingly, I find that Respondent violated 49 C.F.R. § 195.452(b)(2) by failing to include in its IMP an identification of each Category 3 pipeline or pipeline segment no later than the date the pipeline began operation.

Item 2: The Notice alleged that Respondent violated 49 C.F.R. § 195.452(f)(6) and (i)(3), which state:

§ 195.452 – Pipeline integrity management in high consequence areas.

(a)

(f) *What are the elements of an integrity management program?* . . . An operator must include, at minimum, each of the following elements in its written integrity management program . . .

(6) Identification of preventive and mitigative measures to protect the high consequence area (see paragraph (i) of this section)

(i) *What preventive and mitigative measures must an operator take to protect the high consequence area?*

(3) *Leak detection.* An operator must have a means to detect leaks on its pipeline system. An operator must evaluate the capability of its leak detection means and modify, as necessary, to protect the high consequence area. An operator's evaluation must, at least, consider, the following factors—length and size of the pipeline, type of product carried, the pipeline's proximity to the high consequence area, the swiftness of leak detection, location of nearest response personnel, leak history, and risk assessment results.

The Notice alleged that Respondent failed to perform an evaluation of leak detection capabilities for its Western Area system and to make modifications as necessary to protect HCAs. Accordingly, I find that Respondent violated 49 C.F.R. § 195.452(f)(6) and (i)(3) by failing to evaluate the capability of its leak detection system and make modifications as necessary to protect HCAs.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Items 1 and 2 in the Notice for violations of 49 C.F.R. § 195.452(b)(2), (f)(6), and (i)(3). Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquid by pipeline or who owns or operates a hazardous liquid pipeline facility is required to comply with the applicable safety standards established under Chapter 601.

The Director, Southwest Region, OPS has indicated that Respondent has taken the following actions specified in the proposed compliance order:

Respondent has amended its IMP to include procedures requiring HCA analysis be completed prior to placing newly constructed Category 3 pipelines into service.

Respondent has evaluated its leak detection capabilities and used the detailed leak history data to substantiate its HCA spill analysis. Respondent has also documented the responsibilities and processes to be used to perform leak detection system evaluations in the future to ensure consistent application of the evaluation process. In addition, Respondent has undertaken a project to put its Eastern and Western Areas on a common SCADA platform and to upgrade leak detection capabilities.

Respondent maintained documentation of the safety improvement costs associated with fulfilling this Compliance Order and has submitted the total cost to OPS.

Accordingly, since compliance has been achieved with respect to these violations, it is not necessary to include the compliance terms in this Final Order.

The terms and conditions of this Final Order are effective on receipt.

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Date Issued