

**November 3, 2015**

Mr. Robert Owens  
Chief Executive Officer  
Sunoco Pipeline, L.P.  
1818 Market Street, Suite 1500  
Philadelphia, PA 19106

**Re: CPF No. 4-2015-5009**

Dear Mr. Owens:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation and assesses a civil penalty of \$141,000. This is to acknowledge receipt of payment of the full penalty amount, by wire transfer, dated May 7, 2015. This enforcement action is now closed. Service of the Final Order by certified mail is deemed effective upon the date of mailing, or as otherwise provided 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

cc: Mr. Rod M. Seeley, Region Director, Southwest Region, OPS  
Mr. David Chalson, Vice President, Operations, Sunoco Pipeline, L.P.

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

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

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<b>In the Matter of</b>	)	
	)	
<b>West Texas Gulf Pipeline Company,</b>	)	
<b>a subsidiary of Sunoco Pipeline, L.P.</b>	)	<b>CPF No. 4-2015-5009</b>
	)	
<b>Respondent.</b>	)	
_____	)	

**FINAL ORDER**

On March 4, 2015, pursuant to 49 U.S.C. § 60117, the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), received an information request for an alleged accident on the West Texas Gulf Pipeline Company (WTG or Respondent) facility, OPID #22442. WTG owns a 580-mile long crude oil pipeline from Colorado City, Texas to Longview, Texas, and operates as a subsidiary of Sunoco Pipeline L.P. (Sunoco). The WTG facility at issue is located in Wortham, Texas. The alleged accident was described as having occurred while Sunoco and its contractors were performing pipeline modifications at the facility and resulted in a release of crude oil, ignition of the crude oil, and a serious injury requiring in-patient hospitalization, on or about February 19, 2013. After receiving the information request, PHMSA initiated an investigation into the alleged accident.

As a result of the investigation, the Region Director, Southwest Region, OPS (Director), issued to Respondent, by letter dated April 8, 2015, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed findings that Respondent violated 49 C.F.R. §§ 195.52 and 195.54 and proposed assessing a civil penalty of \$141,000 for the alleged violations.

Respondent responded to the Notice by letter dated May 8, 2015 (Response). The company did not contest the allegations of violation and paid the proposed civil penalty of \$141,000, as provided in 49 C.F.R. § 190.227. Payment of the penalty serves to close the case with prejudice to Respondent.

**FINDINGS OF VIOLATION**

In its Response, Respondent did not contest the allegations in the Notice that it violated 49 C.F.R. Part 195, as follows:

**Item 1:** The Notice alleged that Respondent violated 49 C.F.R. § 195.52, which states in part:

**§ 195.52 Immediate notice of certain accidents.**

(a) Notice requirements. At the earliest practicable moment following discovery of a release of the hazardous liquid or carbon dioxide transported..., the operator of the system must give notice, in accordance with paragraph (b) of this section, of any failure that:

- (1) Caused a death or a personal injury requiring hospitalization;
- (2) Resulted in either a fire or explosion not intentionally set by the operator

The Notice alleged that Respondent violated 49 C.F.R. § 195.52 by failing to provide notice at the earliest practicable moment following the discovery of the release of hazardous liquids at its facility in Wortham, Texas. Specifically, the Notice alleged that the National Response Center had no record of a report for the accident that occurred on or about February 19, 2013 at Respondent's facility or any affiliated Sunoco facility. Additionally, PHMSA's investigation revealed that Sunoco conducted an internal investigation of the accident but failed to provide notice to the National Response Center. Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.52 by failing to provide notice at the earliest practicable moment following the discovery of the release of hazardous liquids at its facility in Wortham, Texas.

**Item 2:** The Notice alleged that Respondent violated 49 C.F.R. § 195.54, which states in part:

**§ 195.54 Accident reports.**

(a) Each operator that experiences an accident that is required to be reported under § 195.50 must, as soon as practicable, but not later than 30 days after discovery of the accident, file an accident report on DOT Form 7000-1.

**§ 195.50 Reporting accidents**

An accident report is required for each failure in a pipeline system subject to this part in which there is a release of the hazardous liquid or carbon dioxide transported resulting in any of the following:

- (a) Explosion or fire not intentionally set by the operator;
- (b) Release of 5 gallons or more of hazardous liquid or carbon dioxide...;
- (c) Death of any person;
- (d) Personal injury necessitating hospitalization

The Notice alleged that Respondent violated 49 C.F.R. § 195.54 by failing to submit a written DOT Form 7000-1 for the accident in which there was a release of hazardous liquid resulting in an explosion and injury necessitating hospitalization. Specifically, the Notice alleged that Respondent violated 49 C.F.R. § 195.54 because the Wortham facility accident involved both an ignition of crude oil and injury requiring hospitalization. Consequently, under § 195.54 the accident was required to be reported on DOT form 7000-1. Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that

Respondent violated 49 C.F.R. § 195.54 by failing to submit a written DOT Form 7000-1 for the accident that occurred on or about February 19, 2013 in its Wortham, Texas facility.

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

### **ASSESSMENT OF PENALTY**

Under 49 U.S.C. § 60122, Respondent is subject to an administrative civil penalty not to exceed \$200,000 per violation for each day of the violation, up to a maximum of \$2,000,000 for any related series of violations.<sup>1</sup> In determining the amount of a civil penalty under 49 U.S.C. § 60122 and 49 C.F.R. § 190.225, I must consider the following criteria: the nature, circumstances, and gravity of the violation, including adverse impact on the environment; the degree of Respondent's culpability; the history of Respondent's prior offenses; and any effect that the penalty may have on its ability to continue doing business; and the good faith of Respondent in attempting to comply with the pipeline safety regulations. In addition, I may consider the economic benefit gained from the violation without any reduction because of subsequent damages, and such other matters as justice may require. The Notice proposed a total civil penalty of \$141,000 for the violations cited above.

**Item 1:** The Notice proposed a civil penalty of \$70,500 for Respondent's violation of 49 C.F.R. §195.52, for failing to provide notice at the earliest practicable moment following the discovery of the release of hazardous liquids at its facility in Wortham, Texas. Respondent neither contested the allegation nor presented any evidence or argument justifying a reduction in the proposed penalty. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$70,500 for violation of 49 C.F.R. §195.52.

**Item 2:** The Notice proposed a civil penalty of \$70,500 for Respondent's violation of 49 C.F.R. § 195.54, for failing to submit a written DOT Form 7000-1 for an accident in which there was a release of hazardous liquid resulting in an explosion and injury necessitating hospitalization. Respondent neither contested the allegation nor presented any evidence or argument justifying a reduction in the proposed penalty. This probable violation is a repeat violation of CPF# 4-2010-5010, Item 2. Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a civil penalty of \$70,500 for violation of 49 C.F.R. § 195.54.

In summary, having reviewed the record and considered the assessment criteria for each of the Items cited above, I assess Respondent a total civil penalty of **\$141,000**, which has already been paid in full.

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<sup>1</sup> The Pipeline Safety, Regulatory Certainty, and Job Creation Act of 2011, Pub. L. No. 112-90, § 2(a)(1), 125 Stat. 1904, January 3, 2012, increased the civil penalty liability for violating a pipeline safety standard to \$200,000 per violation for each day of the violation, up to a maximum of \$2,000,000 for any related series of violations.

The terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.

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Jeffrey D. Wiese  
Associate Administrator  
for Pipeline Safety

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Date Issued