



U.S. Department  
of Transportation

**Pipeline and  
Hazardous Materials Safety  
Administration**

8701 South Gessner, Suite 1110  
Houston, TX 77074

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

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

April 8, 2015

Mr. David Chalson  
Vice President, Operations  
Sunoco Pipeline, L. P.  
1818 Market Street, Suite 1500  
Philadelphia, PA 19106

**CPF 4-2015-5009**

Dear Mr. Chalson:

On March 4, 2015, the Pipeline and Hazardous Materials Administration (PHMSA), Southwest Region Office of Pipeline Safety (SW Region, OPS) received an information request for an alleged event on the West Texas Gulf Pipeline Company, OPID #22442, which is operated by Sunoco Logistics Partners, L. P. (Sunoco). The alleged accident was described as having occurred while Sunoco and its contractors were performing pipeline modifications at the Wortham facility and having 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.

PHMSA, SW Region initiated an investigation into the alleged accident. As a result of the investigation, 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 violations are:

**1. §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 resulting in an event described in §195.50, 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;**

Sunoco failed to provide immediate notice of an accident that occurred on February 19, 2013 on its West Texas Gulf Pipeline at its facility in Wortham, Texas. The accident involved a release of crude oil, ignition of the crude oil, and an injury requiring in-patient hospitalization. The National Response Center has no record of a report for the accident on or about February 19, 2013 for the Wortham, TX, West Texas Gulf Pipeline or any affiliated Sunoco entities.

This probable violation is a repeat violation of CPF# 4-2010-5010, Item 1.

**2. §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....**

**(d) Personal injury necessitating hospitalization;**

Sunoco failed to submit a written DOT Form 7000-1 for an accident that occurred on February 19, 2013, on its West Texas Gulf Pipeline at its Wortham facility in which a release of crude oil involved an ignition of product and an injury requiring in-patient hospitalization.

This probable violation is a repeat violation of CPF# 4-2010-5010, Item 2.

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 \$141,000 as follows:

<u>Item number</u>	<u>PENALTY</u>
1	\$ 70,500
2	\$ 70,500

Proposed Compliance Order

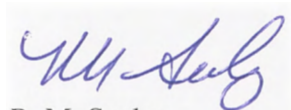
With respect to Item 2, pursuant to 49 United States Code § 60118, PHMSA proposes to issue a Compliance Order to Sunoco. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

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 you submit 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 4-2015-5009** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



R. M. Seeley  
Director, Southwest Region  
Pipeline and Hazardous Materials Safety Administration

cc via e-mail: TGNardozzi@SunocoLogistics.com, LEJensen@SunocoLogistics.com

Enclosures: *Proposed Compliance Order*  
*Response Options for Pipeline Operators in Compliance Proceedings*

## **PROPOSED COMPLIANCE ORDER**

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Sunoco Logistics Partners, L. P. (Sunoco) a Compliance Order incorporating the following remedial requirements to ensure the compliance of Sunoco with the pipeline safety regulations:

1. In regard to Item Number 2 of the Notice pertaining to Sunoco's failure to submit DOT Form 7000-1 for the accident that occurred on or about February 19, 2013, Sunoco shall submit Form 7000-1 within 10 calendar days of the issuance of this Final Order. Additionally, Sunoco shall provide to PHMSA any incident investigation report(s) completed by Sunoco, and identify any corrective action(s) taken to date to prevent recurrence of a similar event.
  
2. It is requested (not mandated) that Sunoco maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to R. M. Seeley, Director, Southwest 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.