



Sunoco Logistics

Sunoco Pipeline L.P.
One Fluor Daniel Drive
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Sugar Land, TX 77478

November 10, 2016

VIA: **Electronic Mail and FedEx**

Mr. Rod Seeley
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration
U.S. Department of Transportation
8701 South Gessner Rd.
Suite 1110
Houston, TX 77074

Re: **CPF No. 4-2016-5033**
Notice of Probable Violation and Proposed Compliance Order

Dear Mr. Seeley:

The Notice of Probable Violation which includes a Proposed Compliance Order (NOPV) referenced above and dated October 4, 2016 was received by Sunoco Pipeline L.P. (SPLP) on October 11, 2016. This NOPV relates to the inspection of the pipeline and tank construction for SunVit Pipeline, LLC and provided SPLP 30 days from date of receipt to respond. The SunVit pipeline and facilities are operated by SPLP. Attached to this letter is the SPLP response which contests this allegation of Probable Violation without hearing per 190.208(b)(3).

Should you have any questions or require further information, please contact Todd Nardozzi of our Sugar Land, TX office at 281-637-6576 or via email at tgnardozzi@sunocologistics.com

Sincerely,

David R. Chalson
Sr. VP - Operations
Sunoco Pipeline L.P.



1. 195.402 – Procedural Manual for operations, maintenance, and emergencies.

(a) Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.

(c) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:

(3) Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.

(7) Starting up and shutting down any part of the pipeline in a manner designed to assure operation within the limits prescribed by paragraph §195.406, consider the *hazardous liquid or carbon dioxide* in transportation, variations in altitude along the pipeline, and pressure monitoring and control devices.

Sunvit Pipeline, LLC started the operations of a pipeline facility without a procedure in accordance with this section. During the inspection, it was found that Sunvit conducted filling operations during the commissioning of tank 7112 on June 10-14, 2015, without having a defined procedure for this task.

This lack of a written procedure was identified in internal communications, prior to the filling of the breakout tank. Yet the task of filling the tank was conducted, despite identifying that a written procedure was not in place. A written work plan was provided for the filling of tank 7112, but it does not constitute a written procedure nor references one within the Operator's O&M plans. The referenced work plan was developed for a singular task, at one specific place and time, and lists actions that should be taken for that specific tank. If this work plan was to be taken and applied to a different tank, it would need to be significantly altered to add the correct valve lineup, tank size, product, and account for other variables. Additionally, the referenced work plan also explicitly states on the first page to "Reference the written procedure for all guidelines," which would imply that the given task to which the work plan applies also has a written procedure with more general instructions to follow.

In contrast, examples of procedures for other O&M tasks have a structured format, which includes discussion of the general task to be undertaken, terminology, any referenced standards, and a description of the items that must be completed to finish that task. It is broader in scope in that it does not describe what should happen at that specific place and time, but rather provides guidelines as to how it should be applied in different situations. It also does not require to be revised each time it is used, and is designed to be interpreted the same each time it is used, unlike the work plan.

Proposed Compliance Order

In regard to Item Number 1 of the Notice pertaining to Failure to establish a procedure for tank filling operations, you must develop and utilize a comprehensive and detailed procedure which specifically addresses the considerations and actions to be taken in filling of breakout tanks. After the procedure is developed you must submit it to PHMSA.



SPLP Response

SPLP contests the issuance of the probable violation of 195.402 and the associated Proposed Compliance Order in this case based on the following:

1. PHMSA states that Tank 7112 was filled despite a written O&M procedure not being in place but also acknowledges that a specific Work Plan was developed and followed to accomplish the tank fill task safely. In separate enforcement (CPF 4-2015-5005H) PHMSA has directed SPLP to implement a work planning process and requirements to define the appropriate level of preparation, review, and approval to ensure safe performance of activities if the scope of work is not in an existing O&M procedure. In the case of filling Tank 7112, SPLP believes that this directive was achieved.
2. The Work Plan developed for the fill of Tank 7112 fully took into account the specifics of the operation and the requirements to fill the tank without incident. SPLP does not disagree with the PHMSA contention that if this Work Plan was to be taken and applied to a different tank, it would need to be significantly altered to add the correct valve lineup, tank size, product, and account for other variables. For these exact reasons it is appropriate to develop specific work plans in instances such as filling a tank to fully take into account all of the variables and allow local operating personnel, those with the knowledge and expertise on the process and equipment, the greatest amount of input into how to accomplish the task in the most efficient and safest manner possible.
3. PHMSA also notes that the Work Plan explicitly states on the first page to “reference the written procedure for all guidelines” which in PHMSA’s estimation implies that the given task to which the Work Plan applies also has a written procedure with more general instructions to follow. This statement alone on the first page of the Work Plan does not inherently indicate that a procedure exists for the overall task being accomplished. Rather it simply directs the author(s) of the Work Plan to include reference to any applicable procedures so that they can be consulted during the course of carrying out the overall task set out in the Work Plan. Again, SPLP returns to the PHMSA directive noted above to implement a work planning process and requirements to define the appropriate level of preparation, review, and approval to ensure safe performance of activities if the scope of work is not in an existing O&M procedure.

SPLP is in the process of developing structured O&M procedure which is broader in scope than the detailed Work Plan but provides guidelines as to how the procedure should be applied in different situations and includes direction to author a specific and detailed work plan. However, SPLP believes that this general guidance is insufficient to support the safety of any tank fill operation and that a detailed work plan, such as the one that governed the fill of Tank 7112 is the only document that can ensure that these operations are accomplished safely. Because of that, SPLP respectfully requests this NOPV and PCO be withdrawn.