Delaware
Pipeline Company

Delaware Pipeline Company
1811 River Road
Delaware City, DE 19706
www.pbfenergy.com

April 26, 2024

Robert Burrough
840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628

RE: CPF 1-2023-062-NOPV

Dear Mr. Burrough,

On March 28 to March 29, 2023, a representative of the Pipeline and Hazardous Material Safety Administration (PHMSA) Office of Pipeline Safety (OPS) performed an inspection of the Delaware Pipeline Company (DPC) as part of a procedure, records, and facility inspection pursuant to Chapter 601 of 49 United States Code (U.S.C.). As a result of the inspection, PHMSA alleges that DPC may have a committed a probable violation of the Pipeline Safety Regulation 49 C.F.R. §195.583(a), and on December 28, 2023 issued a Notice of Probable Violation CPF 1-2023-062-NOPV requiring DPC to respond to the allegation within 30 days, subsequently revised to an April 26, 2024 deadline at DPC's request.

PHMSA alleges DPC failed to conduct inspections on portions of the pipeline that are exposed to the atmosphere within subsurface vaults in accordance with §195.583(a). Subsurface vaults are underground structures that may be entered and may contain piping and piping components, such as valves and pressure regulators. These piping and piping components may be exposed to atmospheric corrosion, and therefore are required to be inspected pursuant to §195.583(a) for evidence of atmospheric corrosion. Additionally, PHMSA claims that DPC did not provide a procedure for performing atmospheric corrosion inspections, nor had an explanation why inspections were not performed on these sections of pipe in the vaults. This response letter will address those issues and provide additional information with DPC's request that PHMSA reconsider the NOPV.

The NOPV assertions were made following PHMSA's field inspection of multiple mainline block valve sites, each containing a safety design that includes access to the mainline pipe directly upstream and downstream of the mainline valves utilizing industry standard vaults. At each of the nine 16" mainline block valve sites there is a 4' diameter vault on either side that provides access to 2" valve connections. These 2" valves enable pipeline segment draining in emergencies and maintenance activities. Congruently, the proximity and depths of these vaults to the river required that the mainline pipe and 2" risers were treated with extruded polyethylene coating in consideration that they would be submerged throughout the year, thus providing the pipeline with the additional resistance to corrosion in concert with the pipeline's cathodic protection system. DPC did not consider these sections of pipe in the vaults subject to §195.583(a) due to the fact that they were generally submerged in water due to a high water

Delaware
Pipeline Company

Delaware Pipeline Company
1811 River Road
Delaware City, DE 19706
www.pbfenergy.com

table and as a result, not exposed to the atmosphere. However, since the inspection and to remove any doubt as to the best form of protection for the piping inside the vaults, DPC has buried these sections at the nine locations as shown in *Attachment 1, and* incorporated the 2" riser and valve into their atmospheric inspection program. These inspections will be accomplished using the Company's existing atmospheric inspection procedures, as shown in *Attachment 2*, which were not previously presented to the PHMSA inspector due to the specific request for pipeline inspection procedure for pipelines in "subsurface vaults".

It is important to note that since 2015, DPC has had an ongoing initiative to replace block valves on the pipeline system and refurbish the adjacent pipeline as necessary. These projects involved removal of the galvanized steel vaults, complete excavation of the block valve and 30 feet of pipeline, removal of the original coating, sandblasting the pipe, replacement of the mainline block valve, recoating the 16" and 2" valves and pipe and installing new HDPE vaults as shown in *Attachment 3*. Six block valves have been replaced during this time period and after completing the annual atmospheric inspections in January 2024 (see *Attachment 4)* the remaining three sites were excavated and recoated in March 2024, as shown in *Attachment 5*.

In summary, while DPC assumed the pipe in the vaults did not meet the requirements of §195.583(a) due to the impact of the groundwater intrusion, DPC has been performing atmospheric inspections per their procedure outlined in their DOT Compliance manual for all other locations along the pipeline system. Additionally, since the PHMSA field inspection in 2023, DPC has completed a thorough atmospheric inspection of all the vaults and exposed pipe, completed any necessary coating repairs and have taken action to bury those exposed section of the mainline pipeline to remove the threat of atmospheric corrosion. For additional protection, DPC has added anodes at each block valve location to enhance cathodic protection. Furthermore, DPC has been monitoring these mainline block valve and vault locations for integrity issues through the company's integrity management program using MFL smart tools in concert with various NDT methods as required by §195.452 with no indication of corrosion issues at any of the nine block valve locations.

Given that DPC has an atmospheric inspection program and has provided an explanation for why it was not applied to these vault locations and considering that DPC has performed the block valve upgrades and vault enhancements, the company is requesting that PHMSA reconsider the NOPV and rescind the violation.

Respectfully submitted,

Thomas McLane

Cc: Jim Fedena – Sr. VP Logistics, Delaware Pipeline Company LLC.

Delaware Pipeline Company
1811 River Road
Delaware City, DE 19706
www.pbfenergy.com

Attachments

- Attachment 1 - Photos of vault backfill project – March 2024
- Attachment 2 – O&M Procedure 195.583 Atmospheric Corrosion
- Attachment 3 - Photos of valve refurbishment project representing six mainline block valve locations
- Attachment 4 - January 2024 Annual Atmospheric Survey Report
- Attachment 5 - Block valves #4 and #5 repair report