

## **WARNING LETTER**

**VIA ELECTRONIC MAIL TO: [trusso@buckeye.com](mailto:trusso@buckeye.com)**

May 20, 2025

Mr. Todd Russo  
President and Chief Executive Officer  
Buckeye Partners, LP  
4200 Westheimer Road #975  
Houston, Texas 77027

**CPF 1-2025-018-WL**

Dear Mr. Russo:

From March 1, 2023 to June 6, 2023, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) investigated Buckeye Partners, LP's (Buckeye) February 28, 2023 Tank 1202 accident in Port Reading, NJ.

As a result of the investigation, it is alleged that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violation is:

**1. § 195.55 Reporting safety-related conditions**

**(a) Except as provided in paragraph (b) of this section, each operator shall report in accordance with § 195.56 the existence of any of the following safety-related conditions involving pipelines in service:**

**(1) ...**

**(6) Any safety-related condition that could lead to an imminent hazard and causes (either directly or indirectly by remedial action of the operator), for purposes other than abandonment, a 20 percent or more reduction in operating pressure or shutdown of operation of a pipeline**

Buckeye failed to report the existence of any safety-related condition that could lead to an imminent hazard and causes shutdown of operation of a pipeline in accordance with section 195.55(a)(6). Specifically, Buckeye failed to report a safety-related condition that took place on February 2, 2023, at Port Reading Tank 1202.

On February 2, 2023, Buckeye investigated its Port Reading Tank 1202 due to alarm indications. Upon investigation, Buckeye personnel observed odor and noise that warranted facility evacuation. Buckeye determined that the internal steel pan floating roof had failed and sank, and the cone roof had also inverted. Buckeye contacted the National Response Center (NRC) under NRC report number 1359098, with the report indicating the event to be only a potential release. Tank 1202 was subsequently drained and taken out of service for remediation. Buckeye did not submit a subsequent accident report to PHMSA pursuant to section 195.54, indicative that the exception found in section 195.55(b)(2) from reporting this as a safety-related condition was not applicable to this event. Buckeye also did not submit a safety-related condition report within five working days after the day Buckeye determined the condition existed, but not later than 10 working days after the day a representative of the Buckeye discovered the condition.

Buckeye shutdown operation of the Tank 1202 because the failure of the internal steel pan floating roof and the compromised integrity of the cone roof could both lead to a fire, explosion, or the release of a significant amount of hazardous fluid. The inversion and loss of support of the cone roof represented an imminent hazard due to the potential for roof collapse. In fact, on February 28, the cone roof of Tank 1202 partially collapsed and fell into the tank—resulting in a reportable accident—but this occurred after the deadline for filing a safety-related condition report.

Therefore, Buckeye failed to report the existence of any safety-related condition that could lead to an imminent hazard and causes shutdown of operation of a pipeline in accordance with section 195.55(a)(6).

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$272,926 per violation per day the violation persists, up to a maximum of \$2,729,245 for a related series of violations. For violation occurring on or after December 28, 2023 and before December 30, 2024, the maximum penalty may not exceed \$266,015 per violation per day the violation persists, up to a maximum of \$2,660,135 for a related series of violations. For violation occurring on or after January 6, 2023 and before December 28, 2023, the maximum penalty may not exceed \$257,664 per violation per day the violation persists, up to a maximum of \$2,576,627 for a related series of violations. For violation occurring on or after March 21, 2022 and before January 6, 2023, the maximum penalty may not exceed \$239,142 per violation per day the violation persists, up to a maximum of \$2,391,142 for a related series of violations. For violation occurring on or after May 3, 2021 and before March 21, 2022, the maximum penalty may not exceed \$225,134 per violation per day the violation persists, up to a maximum of \$2,251,334 for a related series of violations. For violation occurring on or after January 11, 2021 and before May 3, 2021, the maximum penalty may not exceed \$222,504 per violation per day the violation persists, up to a maximum of \$2,225,034 for a related series of violations. For violation occurring on or after July 31, 2019 and before January 11, 2021, the maximum penalty may not exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations.

We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item identified in this letter. Failure to do so may result in Buckeye Partners, LP being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 1-2025-018-WL**. Be advised that all material you submit in response to this enforcement action is subject to being 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).

Sincerely,

Robert Burrough  
Director, Eastern Region, Office of Pipeline Safety  
Pipeline and Hazardous Materials Safety Administration