



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials
Safety Administration**

840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628
609.771.7800

NOTICE OF PROBABLE VIOLATION PROPOSED COMPLIANCE ORDER

VIA ELECTRONIC MAIL TO: trusso@buckeye.com

February 13, 2026

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

CPF 1-2026-003-NOPV

Dear Mr. Russo:

From June 4 through December 3, 2024, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Buckeye Partners, LP's (Buckeye) construction records and observed excavation of Tampa Pipelines L931 and L932 as part of a weld validation and testing plan in Allentown, Pennsylvania, and Tampa, Florida.

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

- 1. § 195.202 Compliance with specifications or standards**
Each pipeline system must be constructed in accordance with comprehensive written specifications or standards that are consistent with the requirements of this part.

Buckeye failed to construct its pipeline system in accordance with comprehensive written specifications or standards that are consistent with the requirements of 49 CFR Part 195 in accordance with section 195.202. Specifically, Buckeye failed to document coating system selection, handling and storage, application, inspection, and repair data, as required by its

Construction Specification CS-PL-002, Coating Below Grade Piping Systems, Rev-3 (06/22/2017) (Coating Specification), section 14.

Section 14.1.1 of Buckeye's Coating Specification stated that coating system selection, handling and storage, application, inspection, and repair data required by this procedure will be documented by the company corrosion control personnel, Project Manager, or their designee, and that the coating data is maintained for the life of the system.

Section 14.1.2 of Buckeye's Coating Specification stated that readings and recordings for newly constructed assets should be documented on the form CF-PL-0002, Field Installed Below Grade Coating Test Record (CF-PL-002). CF-PL-002 included information regarding ambient conditions, surface preparation, coating application and product used, dry film thickness (DFT) readings, and coating inspection and repairs.

However, when PHMSA requested records pertaining to the application, inspection, and repair of below grade coating applied during the construction of the Tampa Pipelines L931 and L932, Buckeye failed to provide any completed CF-PL-0002 forms, thus failing to maintain, for at least 5 years, a record of each inspection required by 49 CFR Part 195 Subpart H in sufficient detail to demonstrate the adequacy of corrosion control measures in accordance with section 195.589(c).

Therefore, Buckeye failed to construct its pipeline system in accordance with comprehensive written specifications or standards that are consistent with the requirements of 49 CFR Part 195 in accordance with section 195.202.

2. § 195.202 Compliance with specifications or standards.

Each pipeline system must be constructed in accordance with comprehensive written specifications or standards that are consistent with the requirements of this part.

Buckeye failed to construct its pipeline system in accordance with comprehensive written specifications or standards that are consistent with the requirements of 49 CFR Part 195 in accordance with section 195.202. Specifically, Buckeye failed to properly prepare the surface prior to coating, and apply, and inspect the coating material, as required by Denso Protal 7200 Brush Application Specifications (Denso Application Specification) and its *Construction Specification CS-PL-002, Coating Below Grade Piping Systems, Rev-3* (06/22/2017) (Coating Specification), section 10.

During the pipeline field inspection, PHMSA observed peeled and disbonded field-applied coating along several locations of the Tampa Pipelines L931 and L932. The coating, applied in the field to protect pipeline girth welds and to repair pipe coating defects, was Denso Protal 7200 (which is a two-part epoxy product).¹ The prevalence of the coating deficiencies indicated poor coating adhesion, most likely caused by improper surface preparation and coating application during construction. The lack of coating adhesion caused by improper surface preparation allows

¹ The pipe was exposed as part of ongoing excavation within its right-of-way to address construction deficiencies that were previously found by PHMSA. See Notice of Probable Violation and Proposed Compliance Order, CPF No. 1-2025-001-NOPV.

moisture to collect between the coating and the steel pipeline surface and creates the potential for external corrosion and metal loss.

Section 4 of Denso Application Specification states in part that all contaminants shall be removed from the steel surface to be coated, and that oil and grease should be removed in accordance with the surface preparation standard SSPC SP-1 using non-oily solvent cleaner. It also states that all surfaces to be coated shall be abrasive blasted to a near-white finish and it indicates additional requirements as part of the surface preparation.

Section 10.1.1 of Buckeye's Coating Specification required that, prior to coating, Buckeye must ensure the exposed surface is free of moisture, dust, dirt, oil, grease, weld, splatter, slag or other contaminants which might interfere with the coating or adhesion of the coating to the metal or adjacent coating unless otherwise allowed by coating manufacturer instructions. Sections 10.2 and 10.3 stated that abrasive blasting or power tools may be used to generate surface profile requirements. Section 10.4 required Buckeye to inspect the prepped surface and record the relative humidity, ambient temperature, dew point temperature, and surface temperature prior to coating.

PHMSA requested records and any other information available related to the surface preparation, application, and inspection of the field-applied coating. However, Buckeye failed to provide evidence that it prepared, applied, and inspected the coating material as required by its Coating Specification.

Instead, Buckeye provided "DOT Mill Readings,"² with dry film thickness (DFT) readings dated from 12/04/2018 to 8/11/2020 and photos³ depicting a technician applying coating to two girth welds,⁴ attaining a DFT reading, and inspecting 12-inch diameter pipe joints with mill-applied Fusion Bonded Epoxy (FBE) coating utilizing a coating discontinuity or "holiday" detector.⁵ The DOT Mill Readings included a coating product name (Protal 7200), and detector voltage settings/readings, however these records did not include the relative humidity, ambient temperature, dew point temperature, and surface temperature prior to coating, or include any other information related to surface preparation, and the results of any visual inspection before or after coating application. Moreover, these records failed to include the results of the holiday inspection and note if any defects were remediated prior to installation of the pipe. Buckeye was unable to provide any other evidence of proper surface preparation, coating application, and associated inspections.

² See Pipeline Safety Violation Report, Exhibit B-16, DOT Mill Readings Underground.

³ See Pipeline Safety Violation Report, Exhibit B-17, Data Request E Tampa Field Weld Coating Process Photos-Butane Site.

⁴ Tampa Pipelines L391 and L392 had over 300 girth welds with field-applied coating.

⁵ As defined in NACE SP0169-2007 (Section 2), Holiday is a discontinuity in a protective coating that exposes unprotected surface to the environment. A coating holiday detector is a specialized instrument used to identify discontinuities, such as pinholes, cracks, or voids, in protective coatings applied to conductive or non-conductive substrates.

Therefore, Buckeye failed to construct its pipeline system in accordance with comprehensive written specifications or standards that are consistent with the requirements of 49 CFR Part 195 in accordance with section 195.202.

3. § 195.589 What corrosion control information do I have to maintain?

(a) ...

(c) You must maintain a record of each analysis, check, demonstration, examination, inspection, investigation, review, survey, and test required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that corrosion requiring control measures does not exist. You must retain these records for at least 5 years, except that records related to §§ 195.569, 195.573(a) and (b), and 195.579(b)(3) and (c) must be retained for as long as the pipeline remains in service.

Buckeye failed to maintain, for at least 5 years, a record of each inspection required by 49 CFR Part 195 Subpart H in sufficient detail to demonstrate the adequacy of corrosion control measures in accordance with section 195.589(c). Specifically, Buckeye failed to maintain records documenting the pipe coating inspections on buried pipe and fittings just prior to lowering into the ditch as required by section 195.561(a) and pursuant to the requirements of section 195.589(c).

During the pipeline field inspection, PHMSA requested records pertaining to the application, inspection, and repair of below grade coating applied during the construction of the Tampa Pipelines L931 and L932, Buckeye failed to provide any completed CF-PL-0002 forms or records of holiday inspections.

Buckeye provided “DOT Mill Readings,” which included daily dry film thickness (DFT) readings for different girth welds from 12/4/2018 to 8/11/2020 for application of a coating material (Protal 7200), and voltage values for the Tampa Pipelines L931 and L932.⁶

However, the DOT Mill Readings failed to document any holiday inspections, including holiday inspection equipment information (such as calibration date), and also failed to include the coating batch number, and its expiration date, used for each girth weld.⁷

PHMSA also reviewed photos provided by Buckeye, which depicted a technician using a holiday detector to inspect mill-applied coating on 12-inch diameter pipe joints.⁸, and taking DFT readings for a girth weld with field-applied coating. However, these photos failed to demonstrate adequacy of corrosion control measures.

⁶ See Pipeline Safety Violation Report, Exhibit B-16, DOT Mill Readings Underground.

⁷ Section 5.2 of Buckeye’s Coating Specification stated that coating packaging must be labeled with the “Lot#/Batch#” and “Date of Expiration.”

⁸ See Pipeline Safety Violation Report, Exhibit B-17, Data Request E Tampa Field Weld Coating Process Photos-Butane Site.

Therefore, Buckeye failed to maintain, for at least 5 years, a record of each inspection required by 49 CFR Part 195 Subpart H in sufficient detail to demonstrate the adequacy of corrosion control measures in accordance with section 195.589(c).

Proposed Civil Penalty

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 \$2,391,412 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 propose a civil penalty assessment at this time.

Proposed Compliance Order

With respect to Item 2, pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Buckeye Partners, LP. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Warning Item

With respect to Items 1 and 3, 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 promptly correct these item(s). Failure to do so may result in additional enforcement action.

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Enforcement 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).

Following your receipt of this Notice, you have 30 days to respond as described in the enclosed *Response Options*. 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. If you are responding to this Notice, we propose that you submit your correspondence to my office within 30 days from receipt of this Notice. The Region Director may extend the period for responding upon a written request timely submitted demonstrating good cause for an extension.

In your correspondence on this matter, please refer to **CPF 1-2026-003-NOPV** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

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

PROPOSED COMPLIANCE ORDER

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

- A. In regard to Item 2 of the Notice pertaining to Buckeye's failure to properly prepare the surface prior to coating, and apply and inspect the coating material, Buckeye must:
 - 1. Perform an assessment to detect any coating application defects on pipelines L931 and L932 using direct current voltage gradient (DCVG), alternating current voltage gradient (ACVG), or other technology that provides comparable information about the integrity and effectiveness of the applied coating;
 - 2. Repair any "severe" indications (voltage drop greater than 60 percent for DCVG or 70 dB μ V for ACVG), as defined in section 4, of NACE SP0502-2010;
 - 3. Develop a coating integrity monitoring plan, if deemed necessary for the safe operation of the pipeline, pursuant the requirements of 49 CFR Part 195;
 - 4. Perform the corrective measures in paragraphs A.1 through A.3 and provide associated records of completion to the Director, Eastern Region within 90 days of receipt of the Final Order; and
 - 5. Notify the Director, Eastern Region, at least 15 days before starting the assessment required by paragraph A.1. Buckeye must also provide results of the assessment, along with the criteria used to assess coating damage or defect severity, within 30 days of completing the assessment.
- B. It is requested (not mandated) that Buckeye Partners, LP maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Robert Burrough, Director, Eastern 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.