

WARNING LETTER

VIA ELECTRONIC MAIL TO: Matthew.Ramsey@energytransfer.com;
Gregory.Mcilwain@energytransfer.com; Eric.Amundsen@energytransfer.com;
Todd.Nardozzi@energytransfer.com

October 21, 2021

Matthew Ramsey
Chief Operating Officer
Energy Transfer
811 Westchester
Dallas, TX 75225

CPF 3-2021-065-WL

Dear Matthew Ramsey:

From February 24th, 2020 to March 24th, 2021 a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected your Sunoco Pipeline L.P. (Sunoco's) Logan Airport pipeline from East Boston Terminal to Boston Logan International Airport in Boston, Massachusetts.

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. **§ 195.404 - Maps and records.**

(c) Each operator shall maintain the following records for the periods specified:

(3) A record of each inspection and test required by this subpart shall be maintained for at least 2 years or until the next inspection or test is performed, whichever is longer.

Sunoco failed to use the appropriate G Form to record over pressure protection, ROW patrols, and fire extinguisher inspections per their Standard Operating Procedures. Sunoco and Energy Transfer harmonized Standard Operating Procedures in May of 2018 which required the use of G-Forms to capture specific inspection data. Sunoco was still using legacy forms to record inspection data at the time of this inspection

2. **§ 195.428 - Overpressure safety devices and overfill protection systems.**

(a) Except as provided in paragraph (b) of this section, each operator shall, at intervals not exceeding 15 months, but at least once each calendar year, or in the case of pipelines used to carry highly volatile liquids, at intervals not to exceed 71/2 months, but at least twice each calendar year, inspect and test each pressure limiting device, relief valve, pressure regulator, or other item of pressure control equipment to determine that it is functioning properly, is in good mechanical condition, and is adequate from the standpoint of capacity and reliability of operation for the service in which it is used.

Sunoco failed to ensure that the set point for pressure relief valve 14 (PRV 14) at the Swissport delivery facility was set at the proper level. PRV no.14 is located just upstream of the customer custody transfer point and was set to relieve at 225 psig which is 50% above the COL (Calculated Operating Limit). The set points for the remaining 7 PRVs at the facility are at 175 psig or below.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed \$213,268 per violation per day, with a maximum penalty not to exceed \$2,132,679. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 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(s) identified in this letter. Failure to do so will result in Energy Transfer 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 3-2021-065-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,

Gregory A. Ochs
Director, Central, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration

cc: Gregory Mcilwain, Senior VP Liquids Operations, Gregory.Mcilwain@energytransfer.com
Eric Amundsen, Senior VP Gas Operations, Eric.Amundsen@energytransfer.com
Todd Nardozi, Director Regulatory Compliance, todd.nardozi@energytransfer.com