U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

February 4, 2026

VIA ELECTRONIC MAIL TO: tom.long@energytransfer.com

Thomas Long
Chief Executive Officer
Energy Transfer, LP
8111 Westchester Drive
Dallas, TX 75225

Re: CPF No. 4-2024-027-NOPV

Dear Mr. Long:

Enclosed please find the Decision on the Petition for Reconsideration issued in the above-referenced case. For the reasons stated therein, it finds Sunoco Pipeline, LP (Sunoco), a subsidiary of Energy Transfer, LP, in violation of Items 1 and 3 and requires Sunoco to take certain actions to comply with the pipeline safety regulations. This Decision constitutes the final administrative action in this proceeding. Service of this decision by e-mail is effective upon the date of mailing as provided under 49 CFR § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

Enclosure
cc: Bryan Lethcoe, Director, Southwest Region, Office of Pipeline Safety
Keegan Pieper, Assistant General Counsel, Energy Transfer, LP,
keegan.pieper@energytransfer.com

CONFIRMATION OF RECEIPT REQUESTED

U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590

In the Matter of	)	
Sunoco Pipeline, LP, **a subsidiary of Energy Transfer, LP,**	)	**CPF No. 4-2024-027-NOPV**
Respondent.	)	

DECISION ON PETITION FOR RECONSIDERATION

From March 13 to July 14, 2023, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), inspected a hazardous liquid pipeline operated by Sunoco Pipeline, LP (Sunoco)[1] in Houston, Delmont, and Montello, Pennsylvania. The pipeline transports natural gas liquid (NGL) and refined products from Delmont to Marcus Hook, Pennsylvania.

As a result of the inspection, the Director, Southwest Region, OPS (Director), issued by letter dated May 31, 2024, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 CFR § 190.207, the Notice proposed finding Sunoco had committed three violations of 49 CFR Part 195 and proposed ordering certain measures to correct the alleged violations.

Energy Transfer, LP (Energy Transfer or Petitioner), on behalf of Sunoco, responded to the Notice by letter dated July 31, 2024 (Response).[2] Energy Transfer explicitly contested one of the allegations, requested modification of the Compliance Order, and offered additional information. Petitioner did not request a hearing and therefore waived its right to one.

On September 17, 2025, pursuant to 49 U.S.C. §§ 60118 and 60122 and 49 CFR §190.213, the Acting Associate Administrator for Pipeline Safety issued a Final Order in this proceeding. In the Final Order, the Associate Administrator found Petitioner that violated 49 CFR §§

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[1] Sunoco Pipeline, LP, is a subsidiary of Energy Transfer, LP. *See* Ownership Structure, ENERGY TRANSFER, https://www.energytransfer.com/ownershipstructure/#:~:
text=SUN's%20general%20partner%20is%20owned,more%20information%2C%20visit%20Sunoco%
20LP.&text=(NYSE%3A%20USAC)%20is%20a,of%20total%20compression%20fleet%20horsepower (last accessed October 21, 2024).

[2] The Region granted Energy Transfer's request for an extension of the 30-day deadline in 49 CFR § 190.208 for responding to the Notice.

195.452(i)(1) (Item 1), 195.452(l)(1)(ii) (Item 2), and 195.402(c)(13) (Item 3) as alleged in the Notice. Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 CFR § 190.217, the Associate Administrator directed Sunoco to take certain actions to ensure compliance with the pipeline safety regulations for two of the three Items (Items 1 and 3). The Associate Administrator did not include compliance actions for Item 2, having found that Sunoco satisfied the proposed Compliance Order in the Notice.

On October 9, 2025, Petitioner filed a Petition for Reconsideration (Petition) pursuant to 49 CFR § 190.243 (Petition). Energy Transfer requested reconsideration of Items 1 and 3 only.

I. STANDARD OF REVIEW

Under 49 CFR § 190.243, a respondent may petition the Associate Administrator for reconsideration of a final order that has been issued pursuant to section 190.213. Reconsideration is not an appeal or a completely new review of the record.[3] A respondent may ask for correction of an error or, in limited circumstances, may present previously unavailable information. If a respondent requests consideration of additional facts or arguments, the respondent must submit the reasons they were not presented prior to the issuance of the final order.[4] The Associate Administrator may grant or deny, in whole or in part, a petition for reconsideration without further proceedings.

II. DISCUSSION

Item 1: The Final Order found that Sunoco violated section 195.452(i)(1) as alleged in the Notice. Energy Transfer argues in the Petition that this finding should be reconsidered for three reasons.

First, Energy Transfer states that its procedures reflect measures taken to mitigate the risks associated with lightning strikes, and that the DOT 195 Facility HCA Analysis referenced in the Final Order, which identified lightning strikes at Beckersville Station, Elverson Station, and Marcus Hook Station, did not reflect a determination that preventative and mitigative measures (P&MMs) needed to be taken at those locations. Energy Transfer further states that sufficient measures and programs are already in place to address lightning strikes at the Beckersville, Elverson, and Marcus Hook Stations. As evidence to substantiate these points, Energy Transfer provided a copy of its lightning program as Attachment A to its Petition.[5] Energy Transfer also provided a schematic showing an example of the arrestors that have been installed on all insulating flanges, which it said were a part of its program to address lightning strike risks at its

[3] 49 CFR § 190.243(a)-(d).

[4] 49 CFR § 190.244(b).

[5] Energy Transfer, Petition for Reconsideration (October 9, 2025) (hereinafter "Petition"), Attachment A, Sunoco Logistics, *Sunoco Pipeline L.P. (SPLP) & Affiliates Operations Manual*, Section 195.405, Protection Against Ignitions and Safe Access/Egress Involving Floating Roofs of Aboveground Breakout Tanks (Jan. 22, 2018); *id.*, Section 195.575, Electric Isolation of Pipelines.

facilities, as Attachment B to its Petition.[6]

Second, regarding dead legs, Energy Transfer reiterates that the DOT 195 Facility HCA Analysis, which identified dead legs at the Elverson, Marcus Hook, and Montello Stations, did not reflect a determination that P&MMs needed to be taken, and that sufficient measures and programs are in place to address dead legs at these locations. Energy Transfer further notes that "'any recommendations for dead legs' are managed as part of the Company's IMP through the Asset Integrity SHIELD program."[7] Energy Transfer explains that the SHIELD program is a "sophisticated software tool" used "in the collection of comprehensive information and data generated by its IMP, including records of visual inspection reports, non-destructive examination results, recommendations, dead leg management activities, relief valve data, and associated equipment and piping circuit information."[8] Citing the SHIELD program, Energy Transfer asserts that its "IMP already comprehensively addresses all risks associated with dead leg sections of piping as well as any other piping."[9]

For the first time, Energy Transfer provided a copy of its *Standard Operating Procedures, Internal Corrosion and Monitoring and Mitigation* IMP, as Attachment C to its Petition.[10] Energy Transfer further provided, for the first time, "portions of its integrity management manual that relate to the requirements for selecting 'condition monitoring locations' ('CMLs')" as Attachment D to its Petition.[11] Relying on these newly disclosed documents, Energy Transfer explains that under its IMP it "applies its CML procedure to facility piping to identify loss of thickness in all sections of pipe, including dead legs."[12] Per Petitioner, the data from this CML testing provides data to manage internal corrosion integrity risks associated with all facility piping, including dead legs. Energy Transfer also states that it has procedures addressing external corrosion risks under its IMP, and that it sufficiently monitors and addresses any dead legs identified at the Marcus Hook Station in accordance with these procedures. Finally, Petitioner states that given the commodities shipped to Marcus Hook Station are refined products or HVLs (*i.e.*, not crude oil), "no additional preventive and mitigative measures are necessary to manage the dead legs given the non-corrosive nature of the commodities at that facility."[13]

Third, Energy Transfer explains that it "revised" and "revamped" its Standard Operating

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[6] Energy Transfer, Petition, Attachment B, Sunoco Logistics, Standard Drawing C210012, Standard Surge/Lightning Arrestor (May 24, 2006).

[7] Energy Transfer, Petition at 4.

[8] *Id.*

[9] *Id.*

[10] Energy Transfer, Petition for Reconsideration, Attachment C, Energy Transfer, *Procedure No. HLD.30, Internal Corrosion Monitoring and Mitigation* (Aug. 19, 2025).

[11] Energy Transfer, Petition for Reconsideration, Attachment D, Energy Transfer, *Fixed Equipment Inspection Manual*, Appendix C, Procedure C-16, CML Placement Guide (Oct. 21, 2021).

[12] Energy Transfer, Petition at 5.

[13] *Id.* at 5.

Procedure (SOP) for internal corrosion monitoring and mitigation.[14] Petitioner states that the revisions "consolidate the existing requirements and procedures in the IMP and directly respond to the terms of the Compliance Order associated with Item 1."[15] Furthermore, Energy Transfer states that it will apply the revised SOP and accelerate its scheduled integrity threat reviews at the Elverson, Montello, and Marcus Hook facilities.[16] Petitioner requests that if PHMSA maintains the violation for Item 1, it should find the terms of the Compliance Order for Item 1 satisfied.

Energy Transfer did not present any of the documents included in Attachments A-D or the additional facts or arguments referenced in the Petition prior to issuance of its request for reconsideration. Requests for consideration of additional facts or arguments must be supported by a statement of reasons as to why those facts or arguments were not presented prior to the issuance of the order.[17] Energy Transfer did not provide any explanation or justification for not doing so. Instead, Energy Transfer merely states in its Petition that these documents were "available to the inspector during the inspection."[18] Absent a statement of reasons from Energy Transfer as to why it did not present this evidence and argument previously, the newly raised argument and evidence will not be considered when evaluating whether Sunoco complied with the regulatory requirements. Given the alleged violation centered on not having taken P&MMs to address lightning strikes and dead legs, documentation and facts indicating such measures had been take should have been presented in responding to the Notice.

Because the request for withdrawal of Item 1 is premised upon evidence and argument submitted for the first time with the Petition—which will not be considered—and reiterated argument previously considered and discussed by the Final Order, I find that reconsideration is not warranted. Accordingly, after considering all of the evidence and based upon the foregoing, I find Respondent violated 49 CFR § 195.452(i)(1) by failing to take measures to prevent and mitigate the consequences of a pipeline failure that could affect a high consequence area. This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

Item 3: The Final Order found that Sunoco violated section 195.402(c)(13) as alleged in the Notice. Petitioner argues that this finding should be reconsidered for two reasons.

First, Energy Transfer notes section 195.402(c)(13) affords operators flexibility in how they carry out the required periodic review.[19] Energy Transfer asserts that its collective process of Quality Job Reviews (QJRs), Annual Work History Reviews (AWHRs), methods by which

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[14] *Id.*

[15] *Id*. at 6.

[16] *Id.*

[17] 49 CFR § 195.243(b).

[18] *Id.* at 4.

[19] Energy Transfer, Petition at 7.

company personnel may request modifications to procedures, and Annual Operations and Maintenance (O&M) SOP Reviews satisfies the requirement of section 195.402(c)(13).[20]

Second, Energy Transfer argues that it has "[a]mended its SOPs to further demonstrate the effectiveness review function of its existing review process."[21] It states that it updated section 7.2 of the Company's "*Guiding Principles for Standard Operating Procedures*" to "more clearly define the process the Company employs to conduct periodic effectiveness reviews."[22] It further states that these effectiveness review efforts will be led by subject matter experts and similar personnel. Energy Transfer argues that if PHMSA does not withdraw Item 3, this update warrants finding the Compliance Order satisfied.

Neither of Energy Transfer's arguments is persuasive. Regarding its first argument, Energy Transfer is correct that the regulation does not prescribe a specific review process for regulatory compliance. However, its "cumulative and collective review processes" do not comport with section 195.402(c)(13).

Energy Transfer's Annual O&M SOP Reviews do not meet the requirements of section 195.402(c)(13). Energy Transfer asserts the "structured, formal processes"[23] of its Annual O&M SOP Review can satisfy both the periodic review required by section 195.402(c)(13) and the annual review required by section 195.402(a) if it fulfills both required levels of review. It describes these as, respectively, "a searching, comprehensive review of work to evaluate procedure effectiveness *and* a general, high-level review of an O&M manual with an opportunity for implementing procedural improvements."[24] Energy Transfer states its Annual O&M SOP Review accomplished both levels of review.

However, the record lacks evidence to show that during the Annual O&M SOP Review Energy Transfer reviewed work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance, and that corrective action is taken where deficiencies are found. Energy Transfer states the Annual O&M SOP Review is a "process wherein the document owners and volume owners of the procedures review such on an annual basis to identify any changes that may be necessary, along with considering changes offered by other personnel."[25] This does not describe a process wherein the work done by operator personnel is reviewed to determine the effectiveness of the procedures used in normal operation and maintenance. Energy Transfer points to the 2023 Annual O&M SOP Review Form, stating it

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[20] These arguments are repetitious of those made in Petitioner's Response, and Energy Transfer submitted no new evidence pertinent to Item 3. Rather, Petitioner merely provided additional details about the documents it reviews. Energy Transfer did not submit a reason for not previously providing these details. It is within the agency's discretion to reject Petitioner's untimely submission of these additional details and sustain the Final Order's finding of violation.

[21] Energy Transfer, Petition at 10.

[22] *Id*. at 10.

[23] *Id*.

[24] *Id*.

[25] Energy Transfer, Response at 8.

"provides direct documentation of over 100 SOP reviews."[26] However, this record does not demonstrate a review of the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance.[27]

Energy Transfer's AWHRs do not meet the requirements of section 195.402(c)(13). Energy Transfer asserts its AWHRs, included in Attachment C of its Response, involved "an assessment of whether 'SOP's [sic] [are] adequate and effective in providing guidance to perform required tasks," which it claimed was a "straightforward example of the review of O&M procedures required under § 195.402(c)(13)."[28] However, this record does not demonstrate compliance with the regulatory requirement. This annual review pertains to Operator Qualification (OQ) Tasks and its purpose is to "determine whether the individual has knowledge and skills required to continue to perform these tasks."[29] Thus, the AWHRs are training and qualification reviews performed for the purpose of evaluating an individual's knowledge and ability to perform a covered task. They are not reviews of work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and do not document taking corrective action where deficiencies are found as a result of that review.

Energy Transfer's QJRs do not demonstrate compliance with section 195.402(c)(13). Petitioner asserts the example QJR provided with its Response[30]—a "post event report for a specific procedure called the '12128-BLNS-TWI7 Smart Tool run'—was documentary evidence of its process for reviewing the effectiveness of O&M procedures.[31] PHMSA has identified post event reports and employee suggestions as two techniques operators may use to determine the effectiveness of procedures.[32] However, Energy Transfer's QJRs are focused on reviewing the job performance of individual personnel. In the aforementioned document, some of the comments were solely related to job performance, such as stating all employees "worked safely"[33] and "[w]ork was done satisfactorily."[34] Section 195.402(c)(13) is "directed to procedures refinement, not employee evaluation."[35] The QJR provided thus does not reflect a review of work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and do not document taking corrective action where deficiencies are found as a result of that review.

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[26] Energy Transfer, Petition at 8.

[27] Energy Transfer, Response, Attachment C, Annual O&M SOP Review Documentation.

[28] Energy Transfer, Petition at 8.

[29] Energy Transfer, Response, Attachment C, at 30; *see also* PHMSA Violation Report, CPF 4-2024-027-NOPV, Exhibit C-1, Energy Transfer's OQ Task Review Records.

[30] Energy Transfer, Response, Attachment C, Annual Work History Review Example Documentation.

[31] Energy Transfer, Petition at 8.

[32] PHMSA Operations and Maintenance Enforcement Guidance, Part 195 (2017), at 22.

[33] Energy Transfer, Response, Attachment C, at page 21.

[34] *Id*. at page 28.

[35] PHMSA Operations and Maintenance Enforcement Guidance, Part 195, https://www.phmsa.dot.gov/sites/phmsa.dot.gov/files/docs/regulatory-compliance/pipeline/enforcement/5781/o-menforcement-guidance-part-195-7-21-2017.pdf.

Energy Transfer also asserts the process by which employees may leave suggestions and Sunoco's review of those suggestions satisfies the review required by section 195.402(c)(13). It states this process "provides personnel with an opportunity to directly identify inadequacies and suggest improvements to SOPs."[36] This process, however, does not describe a review of work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance. Therefore, the review of employee suggestions does not comply with section 195.402(c)(13).

Regarding Petitioner's second argument, that PHMSA should find the terms of the Compliance Order satisfied in light of its SOP update, the Director, PHMSA Southwest Region, is in the best position to evaluate the adequacy of the updated procedures for compliance with the requirements of section 195.402(c)(13). Therefore, the Compliance Order's substantive terms shall not be modified.

Accordingly, after considering all of the evidence, I find Respondent violated 49 CFR § 195.402(c)(13) by failing to periodically review the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and take corrective action where deficiencies are found. This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

III. COMPLIANCE ORDER

Item 1: With respect to the violation of section 195.452(i)(1) (**Item 1**), the documents Energy Transfer submitted for the first time with its Petition, while not considered when evaluating Sunoco's compliance with the regulation, indicate that Sunoco has implemented P&MMs to address lightning strikes and dead legs to satisfy the terms of the Compliance Order. Therefore, I find that no further remedial action is needed.

Item 3: With respect to the violation of section 195.402(c)(13) (**Item 3**), Sunoco must develop and establish a process for periodically conducting and documenting reviews of work performed by personnel to determine the effectiveness of the procedures used in normal operation and maintenance and take corrective action where deficiencies are found and submit the plan to the Director, Southwest Region, for approval within **60 days** of receipt of this Decision on Petition for Reconsideration.

IV. CONCLUSION

Sunoco is in violation of 49 CFR §§ 195.402(c)(13) and 195.452(i)(1) and shall comply with the terms of the Compliance Order. This Decision is the final administrative action in this proceeding.

Linda Daugherty Acting Associate Administrator for Pipeline Safety	Date Issued

[36] Energy Transfer, Petition at 8-9.