



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

1200 New Jersey Avenue, SE
Washington, DC 20590

September 17, 2025

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 Final Order issued in the above-referenced case. It makes findings of violation and specifies actions that need to be taken by Sunoco Pipeline, LP (Sunoco), to comply with the pipeline safety regulations. When the terms of the compliance order have been completed, as determined by the Director, Southwest Region, this enforcement action will be closed. Service of the Final Order by e-mail is effective upon the date of transmission and acknowledgement of receipt as provided under 49 CFR § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

LINDA GAIL
DAUGHERTY

Digitally signed by LINDA
GAIL DAUGHERTY
Date: 2025.09.15
09:44:50 -04'00'

Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

Enclosure

cc: Bryan Jeffrey 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,	)	CPF No. 4-2024-027-NOPV
a subsidiary of Energy Transfer, LP,	)	
	)	
Respondent.	)	
	)	

FINAL ORDER

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 Sunoco Pipeline, LP's¹ (Sunoco) hazardous liquid pipeline in Houston, Delmont, and Montello, Pennsylvania. The pipeline transports approximately 350 miles of 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 to Respondent, 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 that Sunoco had committed three violations of 49 CFR Part 195 and proposed ordering Respondent to take certain measures to correct the alleged violations.

Energy Transfer, LP (Energy Transfer or Respondent), on behalf of Sunoco, responded to the Notice by letter dated July 31, 2024 (Response).² Energy Transfer contested one of the allegations, requested modification of the compliance order, and offered additional information in response to the Notice. Respondent did not request a hearing and therefore has waived its right to one.

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

FINDINGS OF VIOLATION

The Notice alleged that Respondent violated 49 CFR Part 195, as follows:

Item 1: The Notice alleged that Respondent violated 49 CFR § 195.452(i)(1), which states:

§ 195.452 Pipeline integrity management in high consequence areas.

(a)

(i) *What preventative and mitigative measures must an operator take to protect the high consequence area? –*

(1) *General requirements.* An operator must take measures to prevent and mitigate the consequences of a pipeline failure that could affect a high consequence area. These measures include conducting a risk analysis of the pipeline segment to identify additional actions to enhance public safety or environmental protection. Such actions may include, but are not limited to, implementing damage prevention best practices, better monitoring of cathodic protection where corrosion is a concern, establishing shorter inspection intervals, installing EFRDs on the pipeline segment, modifying the systems that monitor pressure and detect leaks, providing additional training to personnel on response procedures, conducting drills with local emergency responders and adopting other management controls.

The Notice alleged that Sunoco 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 (HCA). Specifically, the Notice alleged that Sunoco failed to consider or recommend preventative and mitigative measures (P&MMs) at the Beckersville, Elverson, Marcus Hook, and Montello Stations to address dead legs or lightning strikes.

Energy Transfer “neither admit[ted] nor denie[d] the allegation” of violation in Item 1 of the Notice in its Response.³ Instead, Energy Transfer offered additional information to support its decision not to implement P&MMs at the Beckersville, Elverson, Montello, and Marcus Hook Stations and requested that PHMSA withdraw the Proposed Compliance Order (PCO) associated with Item 1. In particular, Energy Transfer explained that:

The purpose of the meetings identified in Section 5.3 of Sunoco’s Pipeline Integrity Management Plan (Rev. 7, Oct. 5, 2022) of the IMP that generated the DOT 195 HCA Facility Analysis documents previously provided to PHMSA is to review a series of questions pertaining to potential threats/risks at the facilities. The questions are to drive discussions to identify concerns, and potentially recommend preventive or mitigative measures, but P&M activities are not mandated simply by a question being answered as “Yes”. For example, if the items were historic (past issues previously addressed), are being addressed through existing efforts or procedures, and/or are not considered to be a

³ Response at 3.

significant enough threat/concern to warrant a P&MM, they are not “recommended” through this document.

Regarding the alleged failure to implement P&MMs to address lightning strikes, Energy Transfer acknowledged that the Beckersville, Elverson, Montello, and Marcus Hook Stations had previously experienced power outages due to this phenomenon as indicated in the DOT 195 HCA Facility Analysis documents. However, Energy Transfer explained that the issue was not considered an integrity threat given existing procedures and processes to initiate a station shutdown in the event of a power outage and the installation of protective equipment at the station to address lightning strikes. Energy Transfer also noted that weather and outside force damage were “considered a relatively low risk overall” on the pipeline system.

As for the alleged failure to implement P&MMs for dead legs, Energy Transfer provided the following additional information about its efforts to address the issue at the Elverson, Montello, and Marcus Hook Stations.

Elverson Station. Energy Transfer explained that the piping identified as a dead leg is an above grade pig trap bypass line that operates when receiving inline inspection tools. Energy Transfer noted that this piping can be flushed, is regularly monitored, presents little or no internal corrosion threat, and is scheduled to be removed in 2025.

Montello Station. Energy Transfer explained that the identification of dead legs as a potential integrity threat in the DOT 195 HCA Facility Analysis documents was based on an assumption given the size and complexity of the station. However, subsequent visual inspections and corrosion monitoring performed by a third-party consultant did not identify any dead legs at the station.

Marcus Hook Station. Energy Transfer explained that the identification of dead legs as a potential integrity threat in the DOT 195 HCA Facility Analysis documents was based on an assumption given the size and complexity of the station. Energy Transfer further explained that subsequent visual inspections and corrosion monitoring performed by a third-party consultant identified dead legs at the station. Energy Transfer explained that these dead legs were being addressed through an integrity management program.

In the Region Recommendation (Recommendation), the Director of the Southwest Region recommended that the allegation of violation in Item 1 of the Notice be sustained for two reasons.⁴ First, the Director stated that Energy Transfer “admitted that it failed to recommend P&MMs to address dead legs and lightning strikes at the facilities listed in the Notice” in its Response.⁵ Second, the Director stated “[w]hile [Energy Transfer] contended it had elements in place that rendered P&MMs unnecessary, it nonetheless acknowledged that it failed to

⁴ Recommendation at 3-4.

⁵ Recommendation at 3.

implement P&MMs for the identified issues of lightning strikes and dead legs.”⁶ With respect to lightning strikes, the Director noted that Energy Transfer had not mentioned any of the reasons offered in its Response for concluding that this issue was not an integrity threat during the onsite inspection, nor had Energy Transfer provided any records to support that conclusion. The Director similarly noted that Energy Transfer had not provided any records to support the statements made in its Response about the treatment of dead legs at the Elverson, Montello, or Marcus Hook Stations, including any documents related to the subsequent visual inspections and corrosion monitoring performed by the third-party consultant.

After considering all of the evidence, I find that Sunoco 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 an HCA. While I do not agree with the Director’s contention that Energy Transfer admitted the violation alleged in Item 1 of the Notice, I find that OPS sustained its burden of proof on the merits.

As to the procedural question, section 190.208(b) prescribes the requirements for responding to a notice of probable violation that contains a proposed compliance order.⁷ It states, in relevant part, that “[i]f the respondent is contesting one or more of the allegations of probable violation or compliance terms, but is not requesting a hearing under § 190.211, the respondent may object to the proposed compliance order and submit written explanations, information, or other materials in answer to the allegations in the notice of probable violation.”⁸ Section 190.208(d) further states, in relevant part, that a respondent’s “[f]ailure to respond in accordance with . . . paragraph (b) of this section, constitutes a waiver of the right to contest the allegations in the notice of probable violation and authorizes the Associate Administrator, without further notice to the respondent, to find the facts as alleged in the notice of probable violation and to issue a final order under § 190.213.”⁹

In this case, Energy Transfer “neither admit[ted] nor denie[d] the allegation” of violation in Item 1 of the Notice in its Response. However, Energy Transfer also clearly “object[ed] to the proposed compliance order and submit[ted] written explanations, information, or other materials in answer to the allegations in the notice of probable violation.”¹⁰ While arguably inconsistent, the statements made by Energy Transfer in its Response were sufficient to preserve its rights under § 190.208(b)(3) to contest the allegations in Item 1 of the Notice and avoid a waiver under § 190.208(d).

Turning to the merits, section 195.452(k) prescribes the recordkeeping requirements that apply to hazardous liquid pipeline facilities that are subject to the integrity management program requirements, including the provisions for P&MMs in § 195.452(i). Section

⁶ Recommendation at 3.

⁷ 49 CFR § 190.208(b).

⁸ 49 CFR § 190.208(b)(3).

⁹ 49 CFR § 190.208(d).

¹⁰ 49 CFR § 190.208(b)(3).

195.452(k) states, in relevant part:

An operator must maintain, for the useful life of the pipeline, records that demonstrate compliance with the requirements of this subpart. At a minimum, an operator must maintain the following records for review during an inspection:

- (i) A written integrity management program in accordance with paragraph (b) of this section.
- (ii) Documents to support the decisions and analyses, including any modifications, justifications, deviations and determinations made, variances, and actions taken, to implement and evaluate each element of the integrity management program listed in paragraph (f) of this section.

Section 195.452(f), the regulation that prescribes the basic elements of an IM program, lists P&MMs as one of those elements. As such, Sunoco had an obligation under § 195.452(k) to “maintain . . . records for review during” OPS’s “inspection” documenting the “decisions and analyses . . . and actions taken” to address the integrity threats identified in the DOT 195 HCA Facility Analysis, including through the implementation of P&MMs.

As the Director explained in the Region Recommendation, Sunoco did not provide any records related to addressing the integrity threats identified in the DOT 195 HCA Facility Analysis during the inspection. Nor did Energy Transfer provide any such records in responding to the Notice. Energy Transfer simply offered statements to demonstrate that lightning strikes are not an integrity threat to the Beckersville, Elverson, Montello, and Marcus Hook Stations, and to describe the actions taken to address the integrity threat posed by dead legs at the Elverson, Montello, and Marcus Hook Stations. These statements are not sufficient to satisfy the recordkeeping requirements in § 195.452(k), or to substantiate Sunoco’s compliance with the P&MM provisions in § 195.452(i). For these reasons, I find that Sunoco committed the violation alleged in Item 1 of the Notice.

Energy Transfer’s request for withdrawal of the PCO for this item will be discussed below in the Compliance Order section.

Item 2: The Notice alleged that Respondent violated 49 CFR § 195.452(l)(1)(ii), which states:

§ 195.452 Pipeline integrity management in high consequence areas.

(a)

(l) *What records must an operator keep to demonstrate compliance?*

(1) An operator must maintain, for the useful life of the pipeline, records that demonstrate compliance with the requirements of this subpart. At a minimum, an operator must maintain the following records for review during an inspection:

(i)

(ii) Documents to support the decisions and analyses, including any modifications, justifications, deviations, and determinations made, variance, and actions taken, to implement and evaluate each elements of the

integrity management program listed in paragraph (f) of this section.

The Notice alleged that Respondent violated 49 CFR § 195.452(l)(1)(ii) by failing to maintain documents to support the decisions and analyses, including any modifications, justifications, deviations and determinations made, variances, and actions taken, to implement and evaluate each element of the integrity management program. Specifically, the Notice alleged that Sunoco failed to maintain documentation showing that recommended preventative measures were implemented for line segments 11190.2 (BECK-TWIN-8) and 12124.1 (DELM-HOLL-8).¹¹

In its Response, Energy Transfer again neither admitted nor denied the allegation of violation in Item 2 of the Notice. Rather, it provided additional information regarding the steps it had taken to address PHMSA's finding and asked that PHMSA find the PCO associated with this item satisfied. As with Item 1 of the Notice, the Director states that Energy Transfer did not contest the allegation in Item 2 of the Notice its Response. The Director further states that information provided in the Response, including the actions taken by Sunoco after receiving the Notice, demonstrate that its failure to comply with the requirements in § 195.452(l)(1)(ii).

After considering all of the evidence, I find that Sunoco violated 49 CFR § 195.452(l)(1)(ii) by failing to maintain documents to support the decisions and analyses, including any modifications, justifications, deviations and determinations made, variances, and actions taken, to implement and evaluate each element of the integrity management program. While I do not agree that Energy Transfer waived its right to contest the allegations in Item 2 of the Notice for the reasons discussed in addressing Item 1 of the Notice, I agree with the Director that the information provided in the Response is sufficient to substantiate the alleged violation, particularly with respect to the actions taken to update the provisions in its IM program. Energy Transfer's request that PHMSA find the PCO for this item satisfied will be discussed below in the Compliance Order section.

Item 3: The Notice alleged that Respondent violated 49 CFR § 195.402 (c)(13), which states:

§ 195.402 Procedural manual for operations, maintenance, and emergencies.

(a)

(c) *Maintenance and normal operations.* The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:

(1)

(13) Periodically reviewing the work done by operator personnel to determine the effectiveness of the procedures used in normal operation and maintenance and taking corrective action where deficiencies are found.

The Notice alleged that 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

¹¹ 49 CFR § 195.452(f)(6) requires the identification of P&MMs to protect an HCA in accordance with the requirements of § 195.452(i).

used in normal operation and maintenance and take corrective action where deficiencies are found, in accordance with the regulation and Sunoco's procedure, *Guiding Principles for Standard Operating Procedures, A-HLA.02* (Rev. September 1, 2023). Sunoco's *Guiding Principles for Standard Operating Procedures, A-HLA.02* (Rev. September 1, 2023) stated that the document explains the need to perform the periodic review required by § 195.402(c)(13).¹² However, the Notice alleged that Sunoco failed to provide records showing that periodic reviews of the work performed by personnel were conducted and corrective actions taken to correct deficiencies in the procedures used for normal operation and maintenance where found.

The periodic effectiveness review required by § 195.402(c)(13) should be "a comprehensive or organized review of all company procedures to evaluate their overall effectiveness."¹³ To demonstrate compliance, "an operator should be able to produce documentation showing that it had conducted an actual analysis of its procedures used in normal operation and maintenance, that it implemented a process by which it had determined whether its procedures were adequate or not, and that it had corrected any procedures found to be deficient."¹⁴ Such documentation must show an effectiveness review was "performed for the purpose of determining the effectiveness of the...procedures themselves,"¹⁵ and not for any other reason. PHMSA precedent is clear that a periodic effectiveness review is separate and distinct from evaluation of individual job performance.¹⁶

In its Response, Energy Transfer contested the allegation of violation and the terms of the PCO associated with the Item. It asserted that Sunoco complies with § 195.402(c)(13) via a collective process that consists of: (1) Quality Job Reviews (QJR), (2) Annual Work History Reviews (AWHRs), (3) methods by which company personnel may request modifications to procedures, and (4) Annual Operations and Maintenance (O&M) Standard Operating Procedure (SOP) Reviews. Sunoco included documentation of this collective process as Attachment C to its Response.

¹² PHMSA Violation Report, CPF 4-2024-027-NOPV, Exhibit C-2, Energy Transfer's SOP HLA.02 "Guiding Principle for Standard Operating Procedures, Section 1, Revision Date 09/02/2023.

¹³ In the Matter of ONEOK NGL Pipeline, LP, Final Order, CPF No. 3-2012-5012 (June 12, 2014), https://primis.phmsa.dot.gov/enforcement-documents/320125012/320125012_Final%20Order_06122014.pdf.

¹⁴ *Id.* (citing 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-m-enforcement-guidance-part-195-7-21-2017.pdf>).

¹⁵ In the Matter of Enbridge Energy Partners, L.P., Final Order, CPF 3-2008-5011 (August 17, 2010), https://primis.phmsa.dot.gov/enforcement-documents/320085011/320085011_Final%20Order_08172010.pdf.

¹⁶ In the Matter of TransMontaigne Operating Company, LP, Final Order, CPF 3-2013-5025 (May 8, 2014) ("[Respondent] was able to provide documentation that the performance of individual personnel was regularly reviewed, but no systematic steps were take to ensure that overall operations and maintenance procedures were effective."), https://primis.phmsa.dot.gov/enforcement-documents/320135025/320135025_Final%20Order_05082014.pdf; see also Enbridge, *supra* note 5.

Respondent stated that Sunoco's QJR process involves supervisors, managers, and/or directors traveling to the field to witness employees at work. The results of the QJRs range from acknowledgement of adequately performed tasks, identification of an update to procedure(s), the need for additional training, and any other areas for improvement. In addition, Respondent stated that AWHRs are conducted by supervisors and consist of a review of the Operator Qualification (OQ) tasks performed to determine effectiveness of procedures and identify any questions or need for changes or updates to any of the procedures utilized in performing tasks. Energy Transfer further stated that it has a process, described in A-HLA.02, *Guiding Principles for Standard Operating Procedures*, Sections 1.0, 4.0, 7.2, and Appendix C, by which company personnel may request modifications to procedures. Under this procedure, Sunoco subject matter experts review these requests for potential implementation. Lastly, Sunoco's Annual O&M SOP Reviews identify any changes that may be necessary to its O&M SOPs, along with considering changes offered by other personnel.

Respondent suggested that the collective process described in its Response satisfies § 195.402(c)(13). Energy Transfer contended that its QJRs satisfied the regulatory requirements. However, the QJRs are not evidence of compliance. The QJRs are focused on reviewing the job performance of individual personnel. Indeed, in Attachment C provided with the Response, some of the comments in the QJRs are solely related to job performance, such as stating all employees "worked safely"¹⁷ and "[w]ork was done satisfactorily."¹⁸ Section 195.402(c)(13) is "directed to procedures refinement, not employee evaluation."¹⁹

Energy Transfer also contended that the AWHRs conducted as part of its Operator Qualification (OQ) program satisfied the requirements of § 195.402(c)(13). Like QJRs, the AWHRs are meant to review the job performance of personnel, specifically OQ-qualified personnel. The AWHRs state that the purpose of the work history review is to "determine whether the individual has knowledge and skills required to continue to perform these tasks."²⁰ AWHRs are training and qualification reviews performed for the purpose of evaluating an individual's knowledge and ability to perform a task. Such reviews do not constitute compliance with § 195.402(c)(13).²¹

Energy Transfer also asserted in its Response that its process by which personnel could, "at any time...request amendments to procedures" demonstrated compliance with § 195.402(c)(13). However, encouraging personnel to comment on procedures on an ad hoc basis does not meet the regulatory requirement in 195.402(c)(13), which requires a comprehensive or organized review of all company procedures to evaluate their overall effectiveness.²² Respondent further asserted

¹⁷ Response, Attachment C, at page 21.

¹⁸ Response, Attachment C, at page 28.

¹⁹ PHMSA Operations and Maintenance Enforcement Guidance, Part 195, *supra*.

²⁰ 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.

²¹ Enbridge, *supra* note 6; *see also* PHMSA Operations and Maintenance Enforcement Guidance, Part 195, *supra*.

²² ONEOK NGL Pipeline, *supra* at note 4.

that its SOP annual reviews demonstrate compliance with § 195.402(c)(13). However, operators are required to conduct annual procedural reviews under § 195.402(a). This is a separate requirement from the periodic effectiveness reviews in § 195.402(c)(13). When promulgating § 192.605(b)(8), which contains a verbatim periodic effectiveness review requirement for operators of gas pipeline facilities, PHMSA stated that changes identified during the periodic effectiveness review can be executed during the annual review required by § 192.605(a).²³ However, the agency distinguished periodic effectiveness reviews from the annual review of the manual of written procedures for operations, maintenance, and emergencies.²⁴ The same distinction applies to the periodic effectiveness review and annual review required by §§ 195.402(c)(13) and 195.402(a), respectively. As such, the annual SOP review does not constitute a periodic effectiveness review for the purpose of satisfying § 195.402(c)(13).

Sunoco failed to provide evidence of a comprehensive review of its procedures “performed for the purpose of determining the effectiveness of the...procedures themselves.”²⁵ Respondent failed to provide documentation of an “actual analysis of its procedures [that] determined whether its procedures were adequate.”²⁶ Nor was documentation provided demonstrating that Sunoco analyzed its procedures used in normal operation and maintenance, that it implemented a process by which it determined whether its procedures were adequate or not, or that it corrected any procedures found to be deficient.²⁷ Respondent submitted no evidence to demonstrate it has ever concluded that its procedures are effective. No documentation was provided to show that an “effectiveness review” of any procedure was carried out.

Accordingly, after considering all of the evidence, I find that 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, in accordance with the regulation and Sunoco’s procedure, *Guiding Principles for Standard Operating Procedures, A-HLA.02* (Rev. September 1, 2023).

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

²³ Both § 192.605(a) and § 195.402(a) require an operator to review annually its manual of written procedures for operations, maintenance, and emergencies.

²⁴ Operation and Maintenance Procedures for Pipelines, Final Rule: Response to Petition for Reconsideration, 60 Fed. Reg. 14,379 14,379 (March 17, 1995).

²⁵ Enbridge, *supra* note 6.

²⁶ ONEOK NGL Pipeline, *supra* note 4.

²⁷ *Id.*

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Items 1, 2, and 3 in the Notice for violations of 49 CFR §§ 195.452(i)(1), 195.452(l)(1)(ii) and 195.402(c)(13), respectively. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601.

With regard to the violation of § 195.452(i)(1) (**Item 1**), Respondent argued the compliance terms should be withdrawn.

As stated in the Notice, PHMSA reviewed Sunoco's DOT 195 Facility HCA Analysis (May 21, 2022) that analyzed these stations. The analysis identified as issues historic call-outs due to lightning strikes at Beckersville, Elverson, and Marcus Hook. The analysis also identified as issues operational dead legs at Elverson, Marcus Hook, and Montello Station. Section 5.3 of Sunoco's *Pipeline Integrity Management Plan* (Rev. 7, October 5, 2022)²⁸ stated that after the DOT 195 Facility HCA Analysis is completed, operator personnel will list all threat concerns prioritized by risk for the facility and develop proposed preventative and/or mitigative measures and time frame to address each concern. However, Sunoco did not develop proposed preventative and/or mitigative measures for each threat/concern (historic call outs due to lightning strikes and dead legs) and develop time frames to address each concern determined in the DOT 195 Facility HCA analysis.

In its Response, Respondent provided additional information related to the P&MMs at Beckersville, Elverson, Montello, and Marcus Hook facilities. Energy Transfer stated that the purpose of the integrity management plan (IMP)'s section 5.3 meetings is to review a series of questions pertaining to potential threats/risks at the facilities, and that the questions drive discussions to identify concerns and potentially recommend P&MMs. Respondent stated that P&MMs are not mandated by a question being answered in the affirmative. For example, Energy Transfer stated that if the items were historic, are being addressed through existing efforts, or are not significant, P&MMs would not be developed.

Energy Transfer stated that at the Beckersville, Elverson, Montello, and Marcus Hook Stations, lightning strikes had occurred resulting in power loss. However, Respondent further stated that these were not considered to be a threat to integrity and are already sufficiently addressed by its procedures. Specifically, Energy Transfer stated:

- “If the systems lose facility transmitters, communication procedures exist for the system to initiate a station shut down or the station is programmed to shut down automatically.”
- “There are lightening arrestors across all insulating gaskets and lightning protection at the facilities/tanks to meet NEC code.”

However, Energy Transfer did not provide records to show how each facility is mitigating the threat of lightning strikes. Without such records, PHMSA cannot determine if these elements

²⁸ PHMSA Violation Report, CPF 4-2024-027-NOPV, Exhibit A-2, Energy Transfer's Pipeline Integrity Management Plan, Section 5.3, Revision Date 10/05/2022.

adequately address the threat of lightning strikes.

Regarding dead legs at Elverson, Montello, and Marcus Hook Stations, Energy Transfer stated the following:

- At Elverson, the pipe identified as a potential dead leg was a pig trap bypass line that operates when receiving ILI tools and can be flushed. The pipe is above grade, monitored during weekly site visits, has security cameras, and has little to no internal corrosion threat. Further, the pipe is scheduled to be removed in 2025.
- At Montello, no specific P&MM was recommended because, following third-party API 570 visual inspection and corrosion monitoring in 2022 for all the piping within the facility, no dead leg piping was discovered.
- At Marcus Hook, following third-party API 570 visual inspection and corrosion monitoring in 2022 for all the piping within the facility, a list of dead legs at the facility was updated within the Asset Integrity's SHIELD program and any recommendations are being managed as a part of that program.

With regard to the dead legs identified at Marcus Hook Station, Sunoco did not develop any P&MMs, despite identifying dead legs, and Respondent failed to provide records supporting the statements it made in its Response. Energy Transfer failed to provide the API 570 inspection report and failed to include material facts, such as the number of identified dead legs and their locations. Respondent also failed to include analyses of flowrates and design features at this facility to eliminate the possibility of dead legs.

With respect to Montello and Elverson Stations, Energy Transfer failed to adequately explain why it initially believed dead legs were present at these facilities. Nor did it provide documentation of the API 570 inspection and corrosion monitoring that concluded no dead legs existed. Without records to corroborate the absence of dead legs at both facilities, PHMSA cannot determine if the PCO should be withdrawn.

For the above reasons, the Compliance Order for Item 1 is not withdrawn.

With regard to the violation of § 195.452(l)(1)(ii) (**Item 2**), Respondent argued the compliance terms should be deemed satisfied. With its Response, Energy Transfer provided documentation of the actions it has to complete the recommended P&MMs.²⁹ In a recommendation from Southwest Region, the Region Director recommended that the PCO be deemed satisfied. Following review of the submitted documentation, I agree that the terms of the PCO have been completed. For this reason, a compliance actions associated with Item 2 is not included in this Order.

With regard to the violation of § 195.402(c)(13) (**Item 3**), Energy Transfer requested withdrawal of the underlying allegation of violation and the PCO associated with this item. In its Response, Respondent did not provide argument for withdrawal or modification of the PCO other than withdrawal of the underlying allegation of violation. For the reasons discussed above, in the

²⁹ Response, Attachments A & B.

Findings of Violation section of this Order, I determined that Item 3 should not be withdrawn. For this reason, the Compliance Order for Item 3 is not withdrawn or modified.

Therefore, pursuant to the authority of 49 U.S.C. § 60118(b) and 49 CFR § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations:

1. With respect to the violation of § 195.452(i)(1) (**Item 1**), Sunoco must implement preventative and mitigative measures to address operational dead legs and lightening strikes, and provide records of the implemented measures to the Director, Southwest Region, within **60** days of receipt of the Final Order.
2. With respect to the violation of § 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 the Final Order.

The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent and demonstrating good cause for an extension.

PHMSA requests that Respondent maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to the Director. 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.

Failure to comply with this Order may result in the administrative assessment of civil penalties exceeding \$200,000, as adjusted for inflation (*see* 49 CFR § 190.223 for adjusted amounts), for each violation for each day the violation continues or in referral to the Attorney General for appropriate relief in a district court of the United States.

Under 49 CFR § 190.243, Respondent may submit a Petition for Reconsideration of this Final Order to the Associate Administrator, Office of Pipeline Safety, PHMSA, 1200 New Jersey Avenue, SE, East Building, 2nd Floor, Washington, DC 20590, with a copy sent to the Office of Chief Counsel, PHMSA, at the same address. The written petition must be received no later than 20 days after receipt of the Final Order by Respondent. Any petition submitted must contain a statement of the issue(s) and meet all other requirements of 49 CFR § 190.243. The terms of the order, including corrective action, remain in effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Final Order are effective upon service in accordance with 49 CFR § 190.5.

LINDA GAIL
DAUGHERTY

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GAIL DAUGHERTY
Date: 2025.09.15
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Linda Daugherty
Associate Administrator
for Pipeline Safety

September 17, 2025

Date Issued