HF Sinclair | MIDSTREAM

April 1, 2025

**Via E-mail to Bryan.Lethcoe@dot.gov**

Bryan Lethcoe
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration
8701 S. Gessner, Suite 630
Houston, TX 77074

Re: **Response to Notice of Probable Violation and Proposed Compliance Order (CPF 4-2025-021-NOPV) and Request for Extension**

Dear Mr. Lethcoe,

This response addresses the Notice of Probable Violation (NOPV), and Proposed Compliance Order issued to Sinclair Transportation Company, LLC (Sinclair) as referenced in CPF 4-2025-021-NOPV. After a thorough review of the alleged violations and in accordance with PHMSA regulations and industry standards, we respectfully dispute the items noted in the consent order for the following reasons:

**Alleged Violation of 49 CFR § 195.310 – Pressure Test Records**

Sinclair has maintained historical records of hydrostatic testing for the Casper Station to Poison Spider Road segment. While certain elements required by § 195.310(b)(1)–(10) may not be fully documented according to current standards, the available records provide substantial evidence that the pipeline was tested in accordance with the regulations applicable at the time.

Hydrostatic pressure testing on this segment was conducted between November 20–21, 1976, and December 6–7, 1976. Supporting documentation is provided in **Attachment 1 – Appendix 1: Casper to Poison Spider Test Segment**, and includes:

- Pressure recording charts from two locations, confirming the test timelines
- Test records originating from Platte Station, which served as the starting point of the segment in 1976
- A second set of test records from Casper Station, located at that time at Poison Spider Road
- Documentation of test parameters, including date, time, and minimum test pressure
- Descriptions of the tested facilities and equipment

We acknowledge that personnel and calibration records from 1976 are unavailable. However, prior to the 1985 amendment of 49 CFR § 195.310, the regulation primarily required a record of each pressure test and the retention of the latest test record for as long as the tested facility was in use. Detailed documentation requirements, such as test instrument calibration data or personnel names, were not mandated at that time. Therefore, the available pressure and temperature records, coupled with the successful completion of the hydrotest, are sufficient to establish the integrity of the pipeline at the time of testing in accordance with the standards applicable in 1976.

Furthermore, in 2009, Pathfinder Station was constructed, and approximately 300 feet of the original 10-inch pipeline was replaced with .307 WT X-52 pipe as part of the station tie-in. The hydrostatic test record associated

with this project is provided in **Attachment 1 – Appendix 2: Pathfinder Station 10-Inch 2009 Hydrotest**, further supporting the integrity of the pipeline segment.

Given these facts, we request reconsideration of this finding, as the existing records adequately support the established Maximum Operating Pressure (MOP) of the pipeline segment.

**Alleged Violation of 49 CFR § 195.430 – Firefighting Equipment**

Sinclair maintains and routinely inspects all firefighting equipment at its pump stations and breakout tank areas in accordance with *API Recommended Practice 2021 (2001) and the 2012 edition of NFPA 30 – Flammable and Combustible Liquids Code*. At the time of PHMSA's inspection, all firefighting equipment was found to be in compliance with company procedures and *API RP 2021* guidance for fire protection in refineries and terminals.

Specifically, Tanks 1325 and 1326 at the Bairoil Pump Station were equipped with:

- Mobile fire extinguishers with appropriate labeling and current maintenance records
- Trained personnel competent in fire suppression and emergency response protocols

Due to the remote nature of the Bairoil facility, firewater is not available on site. As part of Sinclair's asset risk strategy, a risk-based assessment was conducted using the company's established Risk Matrix procedure. Based on this evaluation, the Bairoil Station was categorized as a low business risk. Supporting documentation is provided in **Attachment 1 – Appendix 3: 826 Risk Matrix STC Rev 1** and **Appendix 4: Transportation Asset Fire Protection Risk Scorecard – Dec Packard Response**. Given the facility's isolated location and lack of proximity to populated or high-value infrastructure, it was determined that, in the event of a fire, the safest course of action could be to allow the facility to extinguish itself under controlled conditions.

This strategy is fully aligned with *API RP 2021*, which supports risk-based fire protection planning for atmospheric storage tanks. The recommended practice emphasizes flexibility—prioritizing pre-incident preparedness, risk mitigation, and coordination with emergency response agencies over prescriptive requirements for fixed suppression systems. Sinclair has adopted these principles by clearly communicating the facility's fire risk profile and emergency response strategy with local first responders and refinery emergency teams during annual Local Emergency Planning Committee (LEPC) meetings.

Likewise, *NFPA 30 (2012), Section 21.6*, states that fire protection strategies should be based on the evaluation of facility-specific conditions and available response resources. The organization's approach to fire risk management at the Bairoil site adheres to this guidance—prioritizing life safety, protection of adjacent properties, and coordinated emergency response.

Additionally, Sinclair's fire response strategy is in full alignment with the company's *Master Oil Spill Response Plan (OSRP), Section 3.0 – Response Actions, Fire/Explosion Incidents*, which outlines appropriate procedures for responding to fire scenarios in remote locations. In line with OSRP policy, Sinclair personnel are not expected to fight fires that progress beyond the incipient stage. If a fire cannot be safely controlled with portable extinguishers, personnel are instructed to:

- Notify local fire departments (911), the Qualified Individual, and Operations Control
- Sound facility alarms and activate emergency shutdown systems (if equipped)
- Isolate the area and restrict access to ensure safety
- Provide assistance only if safe to do so (e.g., shutting off fuel supply)

- Establish incident command and communicate with emergency responders as needed

Tank fires will generally be allowed to burn out under controlled conditions, consistent with the OSRP's life safety and hazard mitigation principles. This approach has been reviewed with local emergency responders and reflects established incident response protocols.

To supplement response capabilities, Sinclair can access emergency assets from its refining assets in Sinclair, WY (42 miles away) and Casper, WY (95 miles away), including:

- Firefighting foam in quantities exceeding NFPA 11 recommendations for the site's largest tank
- Firefighting equipment (engines, tankers, trailer-mounted monitors) capable of meeting required flow rates
- Air monitoring equipment for on-site and off-site (community) air quality assessment
- Oil spill containment equipment and materials
- Trained emergency responders available to support incident management

A facility map is provided in Attachment 1 – Appendix 5: Bairoil ERP Layout, showing the locations of firefighting equipment, emergency exits, and the designated muster point. In the event of a significant fire, the decision to adopt a controlled burn-out strategy would be made in coordination with local emergency response personnel, considering the nature of the emergency, the facility's remote location, limited exposure, and available response resources.

Given the facility's low-risk profile, compliance with industry standards, and proactive coordination with emergency response organizations, Sinclair respectfully requests that this violation be removed from the compliance order.

**Alleged Violation of 49 CFR § 195.452 – Integrity Management Program**

Sinclair maintains an industry-compliant Integrity Management Program (IMP), including procedures for identifying and managing High Consequence Areas (HCAs) in accordance with 49 CFR § 195.452. Per Sinclair's *IM-100 "Volume Release & HCA Impact Procedure"*, and *IM-103 "Facility Considerations for HCAs"*, the Cheyenne facility was recognized as part of an HCA. However, spill modeling for this location was completed as part of the pipeline HCA impact assessment, most recently updated in 2014.

While PHMSA's notice states that spill modeling was not performed specifically under the internal IM-100 procedure for the facility, we acknowledge that under Sinclair's legacy IMP structure, annual spill modeling was required for facilities located within HCAs. We recognize that this specific requirement was not fulfilled under the procedural expectations of IM-100 at the facility level.

However, it is important to note that PHMSA regulations do not explicitly require annual spill modeling for facility locations within HCAs. Rather, 49 CFR § 195.452 requires that operators evaluate risks and implement appropriate preventive and mitigative measures. Industry standards such as *API RP 1160* support a risk-based approach to integrity management, not a prescriptive timeline or format for spill modeling.

At Cheyenne Station, Sinclair has previously conducted:

- Historical risk assessments utilizing API 1160 methodologies
- Pipeline leak detection analysis
- Environmental impact evaluations to understand spill behavior and spread

Prior to PHMSA's inspection, Tank 6 at Cheyenne Station was permanently taken out of service in February 2021, followed by Tanks 1 and 2 in August 2021, as they were no longer needed. As a result, current tank volumes are zero, and there is no longer a potential source of release from these assets. While a spill model could be conducted today, it would necessarily be based on pre-2021 tank volumes, which no longer reflect the present operational status of the facility.

Should PHMSA require that a spill model be completed, we will proceed using Census Version 4 (V4) data and pre-2021 volumes. However, we respectfully request reconsideration of this finding, as performing a spill model based on outdated conditions would not yield relevant or actionable insight under today's risk profile.

**Conclusion**

Sinclair remains committed to continuous improvement and regulatory compliance. Given the complexity of the issues raised in the Notice of Probable Violation and Proposed Compliance Order, Sinclair Transportation respectfully requests an additional 90 days beyond the original compliance deadline of April 8, 2025, to engage in discussions with PHMSA regarding the findings and to work toward a resolution. This additional time will allow for a collaborative exchange of information, clarification of regulatory expectations, and alignment on corrective actions as necessary. Sinclair is also committed to complying with the ultimate decision resulting from these discussions. We appreciate PHMSA's consideration of this request and look forward to working cooperatively to resolve these matters in a fair and practical manner.

Sincerely,

Will Swoyer
Vice President, Midstream
HF Sinclair Corporation

cc: Basim Bacenty, PHMSA, Juan Mendoza, PHMSA,