

WARNING LETTER

VIA ELECTRONIC MAIL TO: rjstamour@marathonpetroleum.com

October 26, 2023

Mr. Rich St. Amour
President
Marathon Pipe Line LLC
539 South Main Street
Findlay, OH 45840

CPF 5-2023-056-WL

Dear Mr. St. Amour:

From May 31 through June 23, 2023, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected Marathon Pipeline LLC's (Marathon) crude oil and refined products pipelines in Nikiski and Anchorage, Alaska.

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. **§ 195.452 Pipeline integrity management in high consequence areas.**
 - (a) . . .
 - (g) *What is an information analysis?* In periodically evaluating the integrity of each pipeline segment (see paragraph (j) of this section), an operator must analyze all available information about the integrity of its entire pipeline and the consequences of a possible failure along the pipeline. Operators must continue to comply with the data integration elements specified in § 195.452(g) that were in effect on October 1,

2018, until October 1, 2022. Operators must begin to integrate all the data elements specified in this section starting October 1, 2020, with all attributes integrated by October 1, 2022. This analysis must:

(1) Integrate information and attributes about the pipeline that include, but are not limited to:

(i) . . .

(viii) Data gathered through integrity assessments required under this section;

Marathon failed to integrate and analyze data gathered through their 2021 integrity assessments for their Kenai Refinery to Anchorage refined products pipeline, as required. Specifically, in 2021, Marathon conducted an integrity assessment using a suite of in-line inspection (ILI) tools (including a UT crack tool, a circumferential UT crack tool, a geometry (caliper) tool, a corrosion assessment tool (MFL), and an inertial mapping tool). These integrity assessments were completed between February and April 2021. During PHMSA's 2023 inspection, Marathon stated that it integrates and analyzes ILI assessment data through the process of preparing a Data Integration Report. However, Marathon could not produce any records demonstrating it had completed the Data Integration Report nor any other record of ILI data integration for their 2021 assessments as of the May 2023 inspection.

Therefore, Marathon failed to comply with § 195.452(g)(1)(viii) by not integrating and analyzing its ILI data as required.

2. § 195.591 In-Line inspection of pipelines.

When conducting in-line inspection of pipelines required by this part, each operator must comply with the requirements and recommendations of API Std 1163, *Inline Inspection Systems Qualification Standard*; ANSI/ASNT ILI-PQ, *Inline Inspection Personnel Qualification and Certification*; and NACE SP0102-2010, *Inline Inspection of Pipelines* (incorporated by reference, see § 195.3). An in-line inspection may also be conducted using tethered or remote control tools provided they generally comply with those sections of NACE SP0102-2010 that are applicable.

Marathon failed to comply with API Std 1163 as required. Specifically, during inspection, Marathon had not validated the results of their 2021 in-line inspections (ILI) of their Kenai Refinery to Anchorage refined products pipeline. ILI data validation is a process required by API Std 1163. Between February and April 2021, Marathon conducted an integrity assessment using a suite of ILI tools (including a UT crack tool, a circumferential UT crack tool, a geometry (caliper) tool, a corrosion assessment tool (MFL), and an inertial mapping tool). During the 2023 inspection, Marathon stated that its ILI validation process is completed and documented through the process of preparing a Data Integration Report. However, Marathon could not provide the completed Data Integration Report nor any other record of ILI validation for its 2021 assessments as of the May 2023 inspection.

Therefore, Marathon failed to comply with § 195.591 by not validating the results of its 2021 ILI assessments as required per API Std 1163.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to 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 \$2,391,142 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. 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.

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 items identified in this letter. Failure to do so will result in Marathon Pipe Line LLC 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 5-2023-056-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,

Dustin Hubbard
Director, Western Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 J. Gano (#23-264265)