

WARNING LETTER

May 17, 2000

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. John Nyce
Vice President
Sun Pipe Line Company
Ten Penn Center, 26th Floor
1801 Market Street
Philadelphia, PA 19103-1699

CPF No. 1-2000-5003W

Dear Mr. Nyce:

During the week of February 6, 2000, a representative from the Eastern Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, conducted an onsite investigation of the February 5, 2000, accident on Sun's 24-inch North Ship Line, in the John Heinz Nature Refuge Area. The leak location is just west of Interstate 95, near the Philadelphia International Airport.

As a result of that investigation, it appears that you have committed probable violations as noted below of pipeline safety regulations Title 49, Code of Federal Regulations, Part 195.

The items inspected and the probable violations are:

1. § 195.410(a) Line Markers:

Except as provided in paragraph (b) of this section, each operator shall place and maintain line markers over each buried pipeline in accordance with the following... (a)(2ii): The name of the operator and a telephone number (including area code) where the operator can be reached at all times. A line marker, appropriately placed on the right-of-way, indicated

“Chevron” as the company name, rather than displaying “Sun”. The phone number was verified to correctly connect callers to Sun personnel.

2. § 195.402(a) Procedure Manual:

Each operator shall prepare and follow for each pipeline system, a manual of written procedures for conducting normal operations and maintenance activities and handling of abnormal operations and emergencies. Paragraph (e)(4) of this section requires the operator to take the necessary action to minimize the volume of hazardous material that is released in the event of a failure. Sun did not follow procedures in a timely basis to isolate the valve segment of the pipeline. The isolation valves at the downstream end of the segment were closed on Feb 5, at 16:00, which was approximately 1.2 hours after the line purge was completed. The isolation valves at the upstream end of the segment were closed on Feb 6, at 14:30, which was approximately 23.6 hours after the line purge was completed.

Under 49 United States Code § 60122, you are subject to a civil penalty not to exceed \$25,000 for each violation for each day the violation persists, up to a maximum of \$500,000 for any related series of violations.

During the investigation we also noted that your maintenance personnel attempted to plug the pipe crack to lessen the continued flow a material from the pipe. Although we commend their intent, such action may compromise the quality of subsequent metallurgical analysis. We have reviewed the circumstances and supporting documents involved in this case, and your Remediation and Integrity Action Plan. As a result, we have decided not to assess you a civil penalty. We advise you however, that should you not correct the circumstances leading to the violations, we will take enforcement action when and if the continued violations come to our attention.

Sincerely,

William H. Gute
Director, Eastern Region
Office of Pipeline Safety
BCOY/sj/DPS-24/(609) 989-2180/5/17/00
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Electronic file copy to Catrina Pavlik