

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

**Mr. John Nyce
Vice President
Sun Pipe Line Company
10 Penn Center
1801 Market St.
Philadelphia, PA 19103-1699**

CPF No. 17503W

Dear Mr. Nyce:

On May 9, 10, and 15, 1996, a representative of the Eastern Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, conducted an on site examination of Sun Pipe Line's (SPL) facilities in the Trenton-Hillsborough area of New Jersey. Modifications were made to the meter prover loop piping at the Newark facility in 1984. Those piping changes directed main line pressure relief from the meter prover loop to Tank 26. Although the meter prover loop and pressure relief to Tank 26 are only connected to the main line intermittently, Tank 26 at the Linden Facility became an OPS-regulated break-out tank when these modifications were made. As a result of the inspection, it appears that you have committed a probable violation as noted below of pipeline safety regulations, Title 49, Code of Federal Regulations, Part 195.

The item inspected and the probable violation is:

Section 195.432, requires each operator, at intervals not exceeding 15 months, but at least once each calendar year, to inspect each break-out tank (including atmospheric and pressure tanks). The maintenance records for Tank 26 indicate that although SPL conducts a visual inspection of tanks on a routine basis, your last formal inspection of Tank 26 was performed on March 10, 1993. From a review of records, it appears that SPL has not inspected the tank since May 1993, and is not maintaining Tank 26 as a break-out tank.

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 violations persist up to a maximum of \$500,000 for any related series of violations.

We have reviewed the circumstances and supporting documents involved in this case, and have decided not to assess you a civil penalty. We advise you, however, that should you not correct the circumstances leading to this violation, we will take enforcement action when and if the continued violation comes to our attention.

You will not hear from us again with regard to the noted inspection and our subsequent action. Because of the good faith that you have exhibited up to this time, we expect that you will act to bring your pipeline (and/or your operations) into compliance with pipeline safety regulations.

Sincerely,

**William H. Gute
Director, Eastern Region
Office of Pipeline Safety**

PNGUYEN/cb/DPS-24/366-4580/6-10-97

FILE: Sun Warning Ltr CPF 17503W

c:\wpwin\costina\cpf\cpf17503.wpd

DPS-24, NJDO, DPS-22.1, All Regions, W.Gute, P.Nguyen