

February 19, 2025

Mr. Bryan Lethcoe  
Director, Southwest Region  
Pipeline and Hazardous Materials Safety Administration  
Office of Pipeline Safety  
US Department of Transportation  
8701 South Gessner, Suite 630  
Houston, Texas 77074

Via Email: [bryan. lethcoe@dot.gov](mailto:bryan. lethcoe@dot.gov)

**Re: CPF No. 4-2025-054-NOPSO  
Notice of Proposed Safety Order**

Dear Mr. Lethcoe:

The Pipeline and Hazardous Materials Safety Administration's (PHMSA) Notice of Proposed Safety Order (Notice) dated February 13, 2025, was received by Sunoco Pipeline, L.P. (Sunoco) via electronic mail on the same date. This letter constitutes Sunoco's initial response to the Notice and, in addition, clarifies a number of Preliminary Findings presented in the Notice. Capitalized terms not defined herein shall take the meanings ascribed to them by the Notice.

The Notice contained a list of Preliminary Findings and numerous Proposed Corrective Measures to be applied to the Affected Pipeline. The Affected Pipeline is the entirety of the Twin Oaks to Newark 14-inch refined products pipeline. Sunoco contests all of the Preliminary Findings and Proposed Corrective Measures. While Sunoco desires a positive relationship with PHMSA, Sunoco also does not agree with certain alleged factual statements, certain "rush to judgment" conclusions, and the recitation of alleged events involving other operators. Sunoco offers the following initial clarifications:

1. PHMSA alleges in the Notice, Introduction and Purpose, that "the Pipeline experienced a leak in a high consequence area for at least 16 months."

**Sunoco Clarification:** There is not sufficient evidence at this time to conclude how long the Affected Pipeline was leaking. Therefore, it cannot be stated with any degree of certainty that the "Pipeline experienced a leak in a high consequence area for at least 16 months". It may turn out, through the investigation and analysis that Sunoco is undertaking, that the leak was effectively detected shortly after it began.

**In September 2023, Sunoco responded to an odor complaint in the vicinity of the pipeline, probed the location with a PID gas detector, tested the well water at multiple locations in the area, performed excavations and initiated and completed a static pressure test on the pipeline, which was inclusive of the excavated sections of the pipeline. No leak was identified. Subsequent investigations and testing were performed in June, July, and November 2024, following additional odor complaints,**

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**but likewise no leak was identified. This most recent event will be fully investigated, and subsequent reporting and expert analysis will be conducted as part of Sunoco's evaluation, including, where possible and appropriate, the cause and duration of any leak.**

2. PHMSA alleges in the Notice, Introduction and Purpose, that "it appears that the continued operation of the Twin Oaks Pipeline without corrective measures would pose a pipeline integrity risk to public safety, property, or the environment."

**Sunoco Clarification: On January 31, 2025, Sunoco discovered a leak on the Affected Pipeline. Sunoco cut out the affected section of the pipeline. On February 2, 2025, after receiving approval from PHMSA's Southwest Region Director of its repair plan and intent to return the pipeline to service, Sunoco replaced that affected section of pipe and returned the pipeline to service. There is no evidence of an ongoing leak on the Affected Pipeline.**

3. PHMSA alleges in the Notice, Preliminary Findings, that "PHMSA is aware of a gasoline release in Huntersville, North Carolina, discovered on August 14, 2020, in which 28,571 barrels were released through a through-wall crack which developed in a shallow dent reinforced with a Type A sleeve. The release also not detected by the pipeline operator's leak detection system."

**Sunoco Clarification: The gasoline release in Huntersville, North Carolina discovered on August 14, 2020 did not involve a Sunoco pipeline. This 2020 release involved a third-party operator wholly unrelated to Sunoco or Energy Transfer.**

4. PHMSA alleges in the Notice, Proposed Issuance of Safety Order, that "Sunoco's apparent inability to effectively detect the leak has potentially exacerbated the impacts of the release over an extended period of time."

**Sunoco Clarification: As noted above, there is not sufficient evidence at this time to conclude how long the Affected Pipeline was leaking. Therefore, it cannot be stated with certainty that there was an "apparent inability to effectively detect the leak"; it may turn out, through investigation and analysis, that the leak was effectively detected shortly after it began.**

**It cannot reasonably be asserted that Energy Transfer and Sunoco have an "apparent inability to effectively detect" the leak. Energy Transfer and Sunoco maintain robust leak detection programs on their pipelines as part of their O&M and Integrity Management Plan that surpasses regulatory requirements in various critical aspects,**

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**including the general practice to inspect pipelines even when inspection may not be required by regulation. Further, Energy Transfer maintains a Company-wide Organizational Excellence (“OE”) Program, that applies to Sunoco, which is an initiative aimed at continuous improvement of corporate culture and practices, with an emphasis on safety and compliance. The OE Program, which incorporates the ten elements of American Petroleum Institute’s Recommended Practice 1173, has fostered a Company culture that emphasizes identifying and addressing areas for improvement and applying lessons learned from one project to future projects Company-wide. These ongoing compliance-focused efforts have resulted in quantifiable benefits. For example, the total release frequency history for Energy Transfer-owned pipelines is better than the industry average for U.S. crude oil pipelines.**

5. PHMSA alleges in the Notice, Preliminary Findings, Pages 3 and 4, certain limited descriptions of Sunoco’s response and investigation efforts related to this incident.

**Sunoco Clarification: The description of Sunoco’s investigations is materially understated in the Notice. A true and accurate description and summary of Sunoco’s investigations will be provided to PHMSA.**

As provided by 49 C.F.R. § 190.239(b)(2), Sunoco hereby seeks to promptly engage with PHMSA in informal consultation meetings toward ultimately resolving this matter by way of a Consent Agreement. Although the informal consultation process shall commence within 30 days of the Operator’s request for same, Sunoco requests that a meeting be set as soon as possible. Additionally, 49 C.F.R. § 190.239(b)(2) provides that PHMSA may extend the 30-day informal consultation period by request or otherwise for good cause. Sunoco requests that PHMSA exercise its discretion to extend this period as may be needed during the course of the informal consultation process.

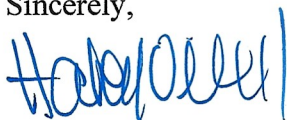
Sunoco hereby reserves its right to request a hearing within 10 days following the conclusion of the informal consultation process, as provided by 49 C.F.R. § 190.239(b)(3), should the parties be unable to reach a conclusion that results in a Consent Agreement.

Finally, pursuant to 49 U.S.C. § 60117(b)(1)(C) and 49 C.F.R. § 190.209(a), Respondent hereby requests all materials in the case file, which shall include all agency records pertinent to the matters of fact or law asserted in the Notice.

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Sunoco looks forward to working towards a Consent Agreement that would appropriately ensure the safe operation of the Affected Pipeline. Please address any questions or requests for further information to the undersigned.

Sincerely,



Haley O'Neill  
Counsel for Sunoco

cc: Keith Coyle, Chief Counsel, PHMSA  
Benjamin Fred, Assistant Chief Counsel, Pipeline Safety Law Division, PHMSA  
Timothy O'Shea, Attorney Advisor Southwest Region, PHMSA  
Todd Stamm, Senior Vice President, Operations, Energy Transfer, LP  
Eric Amundsen, Senior Vice President, Operations, Energy Transfer, LP  
Curtis Stambaugh, Assistant General Counsel, Energy Transfer, LP  
Keegan Pieper, Deputy General Counsel, Energy Transfer, LP  
Todd Nardozi, Director DOT Compliance, Energy Transfer, LP  
Vince Murchison, Murchison O'Neill, PLLC  
Roina Baker, Murchison O'Neill, PLLC