BEFORE THE
COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Sunoco Pipeline, LP, for a Finding That The Situation of Structures to Shelter Pump Stations and Valve Control Stations is Reasonably Necessary for the Convenience or Welfare of the Public in West Goshen Township, Chester County	:	Docket No. P-2014-2411966

NOTICE TO PLEAD

To: Sunoco Pipeline, LP, through its attorneys:

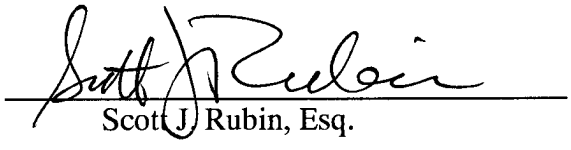
Christopher A. Lewis, Esq.
Michael L. Krancer, Esq.
Frank L. Tamulonis, Esq.
Blank Rome LLP
One Logan Square
130 North 18th Street
Philadelphia, PA 19103

Pursuant to 52 Pa. Code § 5.101(b), you are hereby notified that, if you do not file a written response denying or correcting the enclosed Further Preliminary Objections of Concerned Citizens of West Goshen Township ("CCWGT") within **ten (10) days** from service of this Notice, the facts set forth by CCWGT in the Further Preliminary Objections may be deemed to be true, thereby requiring no further proof. All pleadings, such as an Answer to Objections, must be filed with the Secretary of the Pennsylvania Public Utility Commission, with a copy served on counsel for CCWGT and the Administrative Law Judge presiding over the case.

File with:
Rosemary Chiavetta, Secretary
Pa. Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

With a copy to:
Scott J. Rubin
333 Oak Lane
Bloomsburg, PA 17815-2036
scott.j.rubin@gmail.com

Dated: June 9, 2014



Scott J. Rubin, Esq.

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FURTHER PRELIMINARY OBJECTIONS OF
CONCERNED CITIZENS OF WEST GOSHEN TOWNSHIP

Pursuant to 52 Pa. Code § 5.101, Concerned Citizens of West Goshen Township ("CCWGT") files these Further Preliminary Objections in response to the Amended Petition filed by Sunoco Pipeline, LP ("SPLP") on May 8, 2014. As explained below, SPLP is not a "public utility corporation" as the term is used in Section 619 of the Municipalities Planning Code ("MPC"), 53 P.S. § 10619. Consequently, the Commission does not have jurisdiction over this matter, and the Petition must be dismissed with prejudice.

In the alternative, if the Commission has jurisdiction, then SPLP's Petition is legally insufficient and lacks sufficient specificity. If the Commission has jurisdiction, therefore, the Petition must be amended before the case can move forward.

In support of these Further Preliminary Objections, CCWGT states as follows:

Background and Common Facts

1. SPLP is a subsidiary of Sunoco Logistics Partners, L.P. ("Sunoco Logistics"). See Form 10-K (2013 annual report) of Sunoco Logistics filed with the Securities and Exchange Commission, Exh. 21.1. The relevant portions of the document are attached hereto as Appendix A.

2. SPLP originally filed a Petition in this docket on March 21, 2014, claiming that it was a "public utility corporation" under Section 619 of the MPC because it was a federally regulated pipeline providing interstate transportation of petroleum products.

3. SPLP stated that the purpose of its Petition was to facilitate the completion of an interstate pipeline known as Mariner East 1 from Houston, Pennsylvania, to Sunoco Logistics' Marcus Hook Industrial Complex ("MHIC") in Claymont, Delaware, for the transportation of propane and ethane. Petition ¶ 4.

4. CCWGT filed its initial Preliminary Objections to the original Petition on April 18, 2014. In those Preliminary Objections CCWGT demonstrated that SPLP was not regulated as a public utility under federal law and, therefore, did not meet the requirements of a "public utility corporation" under the MPC.

5. On May 8, 2014, SPLP filed an Amended Petition claiming for the first time that it would be providing intrastate transportation of propane from Mechanicsburg to Sunoco Logistics' facilities in Twin Oaks, Pennsylvania. SPLP further claims that it will provide this service pursuant to existing Commission authority that has been temporarily suspended.

6. CCWGT states, on information and belief, that the newly concocted intrastate use of the pipeline is a subterfuge solely designed to try to create Commission jurisdiction.

7. Specifically, SPLP acknowledges that the Twin Oaks facilities are "operated in conjunction with MHIC" located in Delaware. Amended Petition ¶ 2. Indeed, information from the Sunoco Logistics website states that Twin Oaks is directly connected to MHIC by pipeline. Sunoco Logistics Terminal Data, http://www.sunocologistics.com/Terminal-Data/132/terminalid--339/ (printout attached hereto as Appendix B). Thus, any propane and

ethane delivered to Twin Oaks could be readily transported to its ultimate, interstate destination in MHIC.

8. Furthermore, Sunoco Logistics' 10-K expresses its intent to use the Mariner East line to transport natural gas liquids ("NGLs") "from western Pennsylvania to the east coast where approximately 2 million barrels of NGLs can be stored in our underground caverns and loaded on waterborne vessels for third-party transport to other United States ports or exported to international markets." Appendix A, p. 37.

9. Moreover, given the planned use of the pipeline to transport both ethane and propane, it is not physically possible to simply deliver propane to Twin Oaks, as SPLP claims. Rather, an industrial process must be used to split the NGLs into its component parts, including ethane and propane. According to a Sunoco Logistics presentation dated April 29, 2014 -- less than two weeks before the Amended Petition was filed -- Sunoco Logistics plans to install an ethane/propane splitter at MHIC. Sunoco Logistics, Mariner Projects Utica/ Marcellus NGLs Takeaway Conference, April 29, 2014, p. 11. (A complete copy of the presentation handout is attached hereto as Appendix C.)[1] Thus, in order to deliver propane to Twin Oaks, the NGL would need to be transported first to MHIC in interstate commerce, be split into ethane and propane, and then be transported back into Pennsylvania to Twin Oaks, another interstate transaction. Thus, it does not appear physically possible for the pipeline to be used for the intrastate transportation of propane as SPLP claims in its Amended Petition.

10. Sunoco Logistics' April 29 presentation is also enlightening for two other reasons. First, it makes clear that Mariner East 1 (the pipeline that is the subject of this case) will be used solely to transport propane and ethane to MHIC for export. There is no mention of the use of Mariner

[1] Page numbers in Appendix C refer to the original page number on each slide. For ease of reproduction, the presentation has been printed two slides per page.

East 1 for the distribution of propane within the United States. The only mention of propane distribution is for the yet-to-be-constructed Mariner East 2 pipeline. Appendix C, p. 30. Thus, prospective shippers on the pipeline are not even being notified of the alleged potential to use Mariner East 1 to ship propane to any domestic markets, let alone to any market in Pennsylvania.

11. Second, the April 29 presentation clearly states that SPLP intends to convert Mariner East 1 to an ethane-only pipeline upon completion of Mariner East 2. Appendix C, p. 28. Thus, even if it were possible to transport propane in intrastate commerce to Twin Oaks, that use of the pipeline would be extremely short lived. The true intended use of the pipeline is to transport ethane to MHIC in Delaware.

Preliminary Objection 1: Lack of Jurisdiction -- No Intrastate Use

12. SPLP is proposing to construct the Mariner East 1 project to provide the interstate transportation of propane and ethane. As CCWGT demonstrated in its initial Preliminary Objections, such a pipeline service is not regulated as a public utility by the Federal Energy Regulatory Commission and, therefore, does not permit SPLP to claim the rights of a "public utility corporation" under Section 619 of the MPC.

13. SPLP's Amended Petition does not assert a claim that it is a "public utility corporation" under the MPC by virtue of its status as a federally regulated pipeline. If SPLP were to reassert such a claim, then CCWGT would reiterate the arguments in paragraphs 1 through 23 of its initial Preliminary Objections, which remain of record in this docket.

14. SPLP's claim that it will use the pipeline to provide the intrastate transportation of propane is a subterfuge that does not affect the interstate character of the pipeline. Contemporaneous statements by SPLP and its affiliates to potential shippers on the pipeline

make no mention of providing intrastate propane transportation services. In fact, those statements make it clear that shippers are being sold an interstate service for propane and ethane with delivery to MHIC in Delaware for processing and export. See Appendix C, pp. 20-27.

15. If prospective shippers are not even being notified of the potential to use Mariner East 1 to ship propane to domestic markets -- let alone markets within Pennsylvania -- then there will be no usage of the pipeline for intrastate transportation.

16. Moreover, the ability to separate propane from other NGLs shipped on Mariner East 1 will exist in Delaware, not Pennsylvania, so it does not appear to be physically possible to ship propane on Mariner East 1 between points in Pennsylvania.

17. Finally, SPLP and its affiliates have made clear their intention to convert Mariner East 1 to an ethane-only pipeline upon completion of Mariner East 2. This provides a further indication that the shipping of propane to Twin Oaks is a use that has been concocted solely as a subterfuge to try to obtain Commission jurisdiction over the pipeline.

Preliminary Objection 2: Lack of Jurisdiction -- No Authority

18. Alternatively, even if SPLP can show that it actually will transport propane within Pennsylvania, the Commission lacks jurisdiction over the Amended Petition for West Goshen Township because it does not appear that SPLP has Commission authority to use a pipeline segment near Boot Road in West Goshen Township.

19. West Goshen Township is located outside of West Chester, slightly southeast of Exton on the map provided by SPLP as Exhibit A to its Amended Petition.

20. SPLP's map appears to show that its pipeline on which service is suspended (blue line) between Mechanicsburg and Twin Oaks is not located near West Goshen Township. Rather, the

blue portion of the line that travels between Exton and Twin Oaks is a spur that goes from Twin Oaks to Exton -- which would mean that the line cannot be part of a direct route from Mechanicsburg to Twin Oaks as SPLP claims.

21. From SPLP's map, it appears that the only way for the Exton to Twin Oaks line to be part of a direct route from Mechanicsburg would be for SPLP to use an existing petroleum products (gasoline, etc.) pipeline between Montello and Exton to transport NGLs. But SPLP has not sought to abandon its existing service on that pipeline. Indeed, SPLP's Tariff No. 15 (attached hereto as Appendix D) shows that SPLP continues to provide service from Point Breeze to Exton, Montello, Northumberland, and Williamsport along the pipeline route shown in red on SPLP's map.

22. Moreover, from the map provided by SPLP, it is not even clear that the red line goes near Boot Road in West Goshen Township. It appears the in-service (red) line may be west of Boot Road, and that the Boot Road line is shown in yellow on the map -- the abandoned line between Icedale and Twin Oaks.

23. In any event, even if the yellow line were reactivated -- a request that SPLP has not made either in this proceeding or in a separate proceeding pending at Docket No. P-2014-2422583 -- it still would not be part of a direct route from Mechanicsburg to Twin Oaks.

24. As a consequence, from the information provided by SPLP, the Commission does not have jurisdiction over the Boot Road site in West Goshen Township. The Boot Road pipeline appears to be either part of an abandoned line between Icedale and Twin Oaks, or part of an oil products pipeline that is currently in use flowing from Point Breeze to Montello and points north. The site does not appear to be part of the proposed pipeline route between Mechanicsburg and

Twin Oaks (and MHIC) and therefore cannot be used for the transportation of NGLs between those points.

Preliminary Objection 3: Legal Insufficiency -- Completeness

25. SPLP's Amended Petition is legally insufficient because it fails to include all buildings that SPLP proposes to construct at a location it identifies only as the "Boot Station" site in West Goshen Township, Chester County. See SPLP Amended Petition, Exhibit C.

26. SPLP states that, in addition to the control buildings it plans to construct, it also will construct a "vapor combustion unit" (commonly known as a flare stack and associated facilities) at the Boot Station site. SPLP Amended Petition, p. 14, n. 3.

27. The Petition fails to provide any information on the vapor combustion unit, other than to allege -- with no supporting information -- that there is no "building" involved under Section 619 of the MPC.

28. Section 619 of the MPC does not define the term "building." The term also is not defined in the Rules of Statutory Construction. 1 Pa. C.S. § 1991.

29. Absent a statutory definition, the Commission will generally look to standard definitions in dictionaries of common usage (or if it is a legal term of art, to a law dictionary or related reference). See, e.g., *Pa. PUC v. Glacial Energy of Pennsylvania, Inc.*, C-2012-2297092 (Init. Dec. of ALJ Salapa), 2013 Pa. PUC LEXIS 243 ("In the absence of any statutory definition, I will use the definition found in Black's Law Dictionary.")

30. Black's Law Dictionary defines "building" as follows:

> A fabric or edifice designed to stand more or less permanently. A fabric, structure, or edifice, designed for the habitation of men or animals or for the shelter of property. A structure or edifice erected by man, composed of stone, wood, brick, marble or other proper substance, and intended for use or convenience. A

> structure or edifice inclosing a space within its walls, and usually, but not necessarily, covered with a roof.

Black's Law Dictionary (4th Ed. Rev.1968), p. 244 (citations omitted).

31. In other words, the critical aspect of a building, as opposed to other structures, is that it encloses a space. Apparently for that reason, the courts have held that electric transmission lines and railroad tracks are not "buildings," because they do not have walls that enclose a space. See *Commonwealth v. Delaware and Hudson Railway Co.*, 19 Pa. Commw. 59, 62, 339 A.2d 155, 157 (1975) ("We hold that the word "building" in Section 619 of the Pennsylvania Municipalities Planning Code does not include railroad tracks as it does not include transmission lines of power companies.").

32. The vapor combustion unit is not described in the Petition and CCWGT does not know precisely what structures will be built. It is apparent, however, that such a unit must include a large chimney (or "flare stack"), as well as housing for combustion equipment. The chimney itself would meet the definition of a building because it encloses a space. Recall specifically the definition in Black's Law Dictionary that says a building has walls and is "usually, but not necessarily, covered with a roof." A chimney certainly has walls and encloses a space. Moreover, the actual combustion equipment may be housed in a structure that also contains walls.

33. In other words, the Petition filed by SPLP does not describe all of the buildings that it is seeking permission to construct. The Petition, therefore, is legally insufficient. If the Commission finds that it has jurisdiction over this matter, then the Petition must be amended prior to further proceedings.

Preliminary Objection 4: Insufficient Specificity of the Petition

34. SPLP's Amended Petition lacks sufficient specificity because it fails to include three fundamental elements: (1) a complete description of the Boot Station property on which it proposes to construct the buildings; (2) any discussion of the environmental impact of its proposed buildings on the Boot Station site, or (3) any discussion of the impact of the proposed buildings on West Goshen Township zoning and comprehensive plans.

35. SPLP owns two separate parcels of land on Boot Road in West Goshen Township: parcel 52-1-8 located at 1141 Boot Road, consisting of 2 acres; and parcel 52-1-10.1 located at 1261 Boot Road, consisting of 4.5 acres. Both parcels are zoned Residential.

36. It is critically important to understand which facilities SPLP proposes to construct on which parcels of land. One parcel is vacant and is zoned for residential use. The other parcel currently has buildings located on it and apparently houses some equipment for SPLP's oil pipeline. Yet there is no such information in the Amended Petition. Thus, if the Commission has jurisdiction, the Amended Petition lacks sufficient specificity and must be amended prior to further proceedings.

37. The Commission requires petitions under Section 619 of the MPC to include an evaluation of the environmental impact of the proposal. *Pennsylvania American Water Company,* Docket No. P-00062226 (Init. Dec. of ALJ Smolen), 2006 Pa. PUC LEXIS 91 (Oct. 25, 2006), finalized by operation of law, 2006 Pa. PUC LEXIS 105 (Nov. 17, 2006).

38. There is no such discussion in the Amended Petition. If the Commission has jurisdiction, the Petition, therefore, lacks sufficient specificity and must be amended prior to further proceedings.

39. In addition a Commission Policy Statement requires the Commission to consider the effect of a petition under Section 619 of the MPC on local comprehensive plans and zoning ordinances. 52 Pa. Code § 69.1101. That Policy Statement is in furtherance Section 619.2 of the MPC which provides: "When a county adopts a comprehensive plan in accordance with sections 301 and 302 and any municipalities therein have adopted comprehensive plans and zoning ordinances in accordance with sections 301, 303(d) and 603(j), Commonwealth agencies shall consider and may rely upon comprehensive plans and zoning ordinances when reviewing applications for the funding or permitting of infrastructure or facilities." 53 P.S. § 10619.2.

40. The need for specific information about environmental impacts and local zoning and land use requirements is further heightened by the Pennsylvania Supreme Court's decision in *Robinson Township v. Commonwealth*, 83 A.3d 901 (Pa. 2013). In the plurality decision, the Court held the Commonwealth (including this Commission) has "no authority to remove a political subdivision's implicitly necessary authority to carry into effect its constitutional duties" under Art. I, § 27 of the Pa. Constitution (the Environmental Rights Amendment). 83 A.3d at 977. As the Court explained: "To put it succinctly, our citizens buying homes and raising families in areas zoned residential had a reasonable expectation concerning the environment in which they were living, often for years or even decades. ... [T]he General Assembly can neither offer political subdivisions purported relief from obligations under the Environmental Rights Amendment, nor can it remove necessary and reasonable authority from local governments to carry out these constitutional duties." Id.

41. Consequently, to the extent that the Commission's authority under Section 619 can be lawfully exercised (that is, to the extent, if any, that it does not impermissibly usurp local government implementation of the Environmental Rights Amendment), the Commission must

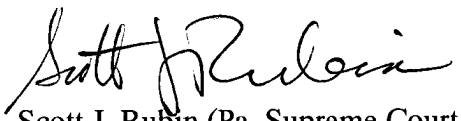
ensure that it is fully implementing local policies regarding environmental protection, zoning, and land use.

42. As explained above, the Amended Petition fails to include a discussion of any of these necessary elements. If the Commission has jurisdiction, therefore, the Amended Petition lacks sufficient specificity and must be amended prior to further proceedings.

WHEREFORE, CCWGT respectfully requests the Pennsylvania Public Utility Commission to determine that the Commission does not have jurisdiction over this matter. The Commission, therefore, should dismiss this proceeding with prejudice.

In the alternative, if the Commission finds that it has jurisdiction over this matter, then it should find that the Amended Petition must be further amended to include a full description of the Boot Station site, a full description of all buildings to be constructed on the Boot Station site (including all structures associated with the vapor combustion unit), a full description of the environmental impact associated with developing the Boot Station site as SPLP proposes, and a full discussion of the effect of granting SPLP's Petition on local zoning and land use requirements in West Goshen Township.

Respectfully submitted,



Scott J. Rubin (Pa. Supreme Court ID: 34536)
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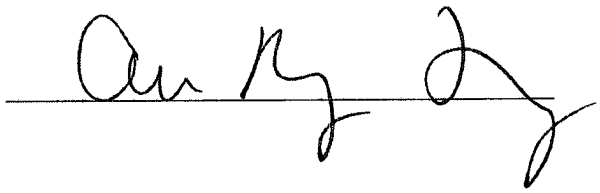
Counsel for CCWGT

Dated: June 9, 2014

VERIFICATION

I, Allen Ray Feinberg, a member of Concerned Citizens of West Goshen Township, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 6/4/14



CERTIFICATE OF SERVICE

I hereby certify that I have caused to be served this day a true copy of the foregoing document upon the parties listed below by electronic mail (where an email address is shown) and U.S. mail, first-class, postage prepaid, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

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Jody Ross MD 437 Nye Road Hummelstown, PA 17036	Mary Leitch 526 Reed St Philadelphia, PA 19147 artbymal@live.com

Dated: June 9, 2014

Scott J. Rubin
Counsel for CCWGT

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2013
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to
Commission file number 1-31219

SUNOCO LOGISTICS PARTNERS L.P.
(Exact name of registrant as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**23-3096839** **(I.R.S. Employer Identification No.)**
1818 Market Street, Suite 1500, Philadelphia, PA **(Address of principal executive offices)**	**19103** **(Zip Code)**

Registrant's telephone number, including area code: (866) 248-4344

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Units representing limited partnership interests	New York Stock Exchange
Senior Notes 8.75%, due February 15, 2014	New York Stock Exchange
Senior Notes 6.125%, due May 15, 2016	New York Stock Exchange
Senior Notes 5.50%, due February 15, 2020	New York Stock Exchange
Senior Notes 4.65%, due February 15, 2022	New York Stock Exchange
Senior Notes 3.45%, due January 15, 2023	New York Stock Exchange
Senior Notes 6.85%, due February 15, 2040	New York Stock Exchange
Senior Notes 6.10%, due February 15, 2042	New York Stock Exchange
Senior Notes 4.95%, due January 15, 2043	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment of this Form 10-K. ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of "large accelerated filer," "accelerated filer," "non-accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting comp	☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate value of the Common Units held by non-affiliates of the registrant (treating all executive officers and directors of the registrant and holders of 10 percent or more of the Common Units outstanding (including the General Partner of the registrant, Sunoco Partners LLC, as if they may be affiliates of the registrant)) was $4.5 billion as of June 28, 2013, based on $63.95 per unit, the closing price of the Common Units as reported on the New York Stock Exchange on that date. At February 26, 2014, the number of the registrant's Common Units outstanding were 103,974,752.

DOCUMENTS INCORPORATED BY REFERENCE: NONE

crude oil at producer sites and transport it to both our truck unloading facilities and third-party unloading facilities for shipment on our pipelines and third-party pipelines. Third-party trucking firms are also retained to transport crude oil to certain facilities.

Terminal Facilities

Our terminal facilities operate with an aggregate storage capacity of approximately 46 million barrels. Since December 31, 2010, we completed the following acquisitions in the terminalling business:

- *Marcus Hook Facility*—In the second quarter 2013, we acquired Sunoco's Marcus Hook facility and related assets (the "Marcus Hook Facility"). The acquisition included terminalling and storage assets with a capacity of approximately 5 million barrels located in Pennsylvania and Delaware, including approximately 2 million barrels of NGL storage capacity in underground caverns, as well as commercial agreements.
- *East Boston Terminal*—In September 2011, we acquired a refined products terminal, located in East Boston, Massachusetts, from affiliates of ConocoPhillips. The terminal is the sole service provider to Logan International Airport under a long-term contract to provide jet fuel. The terminal includes a 10-bay truck rack and total active storage capacity for this facility is approximately 1 million barrels.
- *Eagle Point Tank Farm*—In July 2011, we acquired the Eagle Point tank farm and related assets from Sunoco. The tank farm is located in Westville, New Jersey and consists of approximately 5 million barrels of active storage for clean products and dark oils.

Refined Products Terminals

Our 39 active refined products terminals receive refined products from pipelines, barges, railcars, and trucks and distribute them to third parties and certain of our affiliates, who in turn deliver them to end-users and retail outlets. Terminals are facilities where products are transferred to or from storage or transportation systems, such as a pipeline, to other transportation systems, such as trucks or other pipelines. Terminals play a key role in moving product to the end-user markets by providing the following services: storage; distribution; blending to achieve specified grades of gasoline and middle distillates; and other ancillary services that include the injection of additives and the filtering of jet fuel. Typically, our refined products terminal facilities consist of multiple storage tanks and are equipped with automated truck loading equipment that is operational 24 hours a day. This automated system provides controls over allocations, credit, and carrier certification.

Our refined products terminals derive revenues from terminalling fees paid by customers. A fee is charged for receiving products into the terminal and delivering them to trucks, barges, or pipelines. In addition to terminalling fees, we generate revenues by charging customers fees for blending services, including ethanol and biodiesel blending, injecting additives, and filtering jet fuel. Our refined products pipelines supply the majority of our refined products terminals, with third-party pipelines and barges supplying the remainder.

The table below summarizes the total average daily throughput for the refined products terminals in each of the years presented:

	Year Ended December 31,		
	2013	2012	2011
Refined products throughput (thousands of bpd)	431	487	492

The following table outlines the number of active terminals and storage capacity by state:

State	Number of Terminals	Storage Capacity (thousands of barrels)
Indiana	1	206
Louisiana	1	161
Maryland	1	710
Massachusetts	1	1,144
Michigan	3	760
New Jersey	3	650
New York [1]	4	920
Ohio	7	957
Pennsylvania	13	1,743
Texas	4	548
Virginia	1	403
Total	39	8,202

[1] We have a 45 percent ownership interest in a terminal at Inwood, New York and a 50 percent ownership interest in a terminal that we operate in Syracuse, New York. The storage capacities included in the table represent the proportionate share of capacity attributable to our ownership interests in these terminals.

Refined Products Acquisition and Marketing

Our refined products acquisition and marketing activities include the acquisition, blending, marketing and selling of refined products and NGLs at our various terminals and third-party facilities. Since the acquisition of our butane blending business in 2010, we have continued to expand our butane blending service platform by installing our blending technology at certain of our refined product terminals, as well as at third-party facilities. We have also commenced operations in the NGL market with the acquisition of the Marcus Hook Facility (see below). The operating results of our refined products acquisition and marketing activities are dependent on our ability to execute sales in excess of the aggregate cost, and therefore we structure our acquisition and marketing operations to optimize the sources and timing of purchases and minimize the transportation and storage costs. In order to manage exposure to volatility in refined products prices, our policy is to (i) only purchase refined products for which sales contracts have been executed or for which ready markets exist, (ii) structure sales contracts so that price fluctuations do not materially impact the margins earned, and (iii) not acquire and hold physical inventory, futures contracts or other derivative instruments for the purpose of speculating on commodity price changes. However, we do utilize a seasonal hedge program involving swaps, futures and other derivative instruments to mitigate the risk associated with unfavorable market movements in the price of refined products and NGLs. These derivative contracts act as a hedging mechanism against the volatility of prices.

Nederland Terminal

The Nederland Terminal, which is located on the Sabine-Neches waterway between Beaumont and Port Arthur, Texas, is a large marine terminal providing storage and distribution services for refiners and other large transporters of crude oil. The terminal receives, stores, and distributes crude oil, feedstocks, lubricants, petrochemicals, and bunker oils (used for fueling ships and other marine vessels), and also blends lubricants. The terminal currently has a total storage capacity of approximately 22 million barrels in approximately 130 aboveground storage tanks with individual capacities of up to 660 thousand barrels.

The Nederland Terminal can receive crude oil at each of its five ship docks and three barge berths. The five ship docks are capable of receiving over 2 million bpd of crude oil. In addition to our Crude Oil Pipelines, the terminal can also receive crude oil through a number of other pipelines, including:

- the Cameron Highway pipeline, which is jointly owned by Enterprise Products and Genesis Energy;
- the ExxonMobil Pegasus pipeline;
- the Department of Energy ("DOE") Big Hill pipeline; and
- the DOE West Hackberry pipeline.

The DOE pipelines connect the terminal to the United States Strategic Petroleum Reserve's West Hackberry caverns at Hackberry, Louisiana and Big Hill near Winnie, Texas, which have an aggregate storage capacity of approximately 400 million barrels.

The Nederland Terminal can deliver crude oil and other petroleum products via pipeline, barge, ship, rail, or truck. In total, the terminal is capable of delivering over 2 million bpd of crude oil to our Crude Oil Pipelines or a number of third-party pipelines including:

- the ExxonMobil pipeline to its Beaumont, Texas refinery;
- the DOE pipelines to the Big Hill and West Hackberry Strategic Petroleum Reserve caverns;
- the Valero pipeline to its Port Arthur, Texas refinery; and
- the Total pipelines to its Port Arthur, Texas refinery.

The table below summarizes the total average daily throughput for the Nederland Terminal in each of the years presented:

	Year Ended December 31,		
	2013	2012	2011
Crude oil and refined products throughput (thousands of bpd)	932	724	757

Revenues are generated at the Nederland Terminal primarily by providing term or spot storage services and throughput capabilities to a number of customers.

Fort Mifflin Terminal Complex

The Fort Mifflin Terminal Complex is located on the Delaware River in Philadelphia and includes the Fort Mifflin Terminal, the Hog Island Wharf, the Darby Creek tank farm and connecting pipelines. Revenues are generated at the Fort Mifflin Terminal Complex by charging fees based on throughput. In connection with Sunoco's decision to exit the refining business, we recognized a charge in the fourth quarter 2011 related to the Fort Mifflin Terminal Complex for asset write-downs and regulatory obligations which would have been incurred if certain terminal assets were permanently idled, as substantially all of the revenues from the Fort Mifflin Terminal Complex are derived from the Philadelphia refinery. In September 2012, Sunoco completed the formation of Philadelphia Energy Solutions ("PES"), a joint venture with The Carlyle Group, which enabled the Philadelphia refinery to continue operating. In connection with this transaction, we entered into a new 10-year agreement to provide terminalling services to PES at the Fort Mifflin Terminal Complex. In addition, we reversed certain regulatory obligations that were no longer expected to be incurred as a result of the formation of PES.

The Fort Mifflin Terminal contains two ship docks with 40-foot freshwater drafts and a total storage capacity of approximately 570 thousand barrels. Crude oil and some refined products enter the Fort Mifflin Terminal primarily from marine vessels on the Delaware River. One Fort Mifflin dock is designed to handle crude oil from very large crude carrier-class ("VLCC") tankers and smaller crude oil vessels. The other dock can accommodate only smaller crude oil vessels.

The Hog Island Wharf is located next to the Fort Mifflin Terminal on the Delaware River and receives crude oil via two ship docks, one of which can accommodate crude oil tankers and smaller crude oil vessels, and the other of which can accommodate some smaller crude oil vessels.

The Darby Creek tank farm is a primary crude oil storage terminal for the Philadelphia refinery. This facility has a total storage capacity of approximately 3 million barrels. Darby Creek receives crude oil from the Fort Mifflin Terminal and Hog Island Wharf via our pipelines. The tank farm then stores the crude oil and transports it to the Philadelphia refinery via our pipelines.

The table below summarizes the average daily number of barrels of crude oil and refined products delivered to the Philadelphia refinery from the Fort Mifflin Terminal Complex in each of the years presented:

	Year Ended December 31,		
	2013	2012	2011
		(in thousands of bpd)	
Crude oil throughput	258	293	267
Refined products throughput	—	13	9
Total	258	306	276

Marcus Hook Tank Farm

The Marcus Hook tank farm has a total refined products storage capacity of approximately 2 million barrels. The tank farm historically served Sunoco's Marcus Hook refinery and generated revenue from the related throughput and storage. In 2012, the main processing units at the refinery were idled in connection with Sunoco's exit from its refining business. The terminal continues to receive and deliver refined products via pipeline and now primarily provides terminalling services to support movements on our refined products pipelines.

Marcus Hook Facility

In 2013, we acquired Sunoco's Marcus Hook Facility. The acquisition included terminalling and storage assets with a capacity of approximately 5 million barrels located in Pennsylvania and Delaware, including approximately 2 million barrels of NGL storage capacity in underground caverns, and related commercial agreements. The facility can receive NGLs via marine vessel, pipeline, truck and rail, and can deliver via marine vessel, pipeline and truck. In addition to providing NGL storage and terminalling services to both affiliates and third-party customers, we also provide our customers with the use of industrial space and equipment at the facility, as well as logistical, utility and infrastructure services.

Eagle Point Terminal

The Eagle Point terminal is located in Westville, New Jersey and consists of docks, truck loading facilities and a tank farm. The docks are located on the Delaware River and can accommodate three ships or barges to receive and deliver crude oil, intermediate products and refined products to outbound ships and barges. We acquired the tank farm, which formerly served Sunoco's idled Eagle Point refinery, from Sunoco in 2011 to compliment the storage and distribution services offered by our existing dock and truck loading facilities. The tank farm has a total active storage capacity of approximately 5 million barrels and can receive crude oil and refined products via barge, pipeline and rail. The terminal can deliver via barge, truck, rail or pipeline, providing customers with access to various markets. The terminal generates revenue primarily by charging fees based on throughput, blending services and storage for clean products and dark oils.

The table below summarizes the total average daily throughput for the Eagle Point Terminal in each of the years presented:

	Year Ended December 31,		
	2013	2012	2011
	(in thousands of bpd)		
Crude oil throughput	20	14	4
Refined products throughput	79	42	30
Total	99	56	34

Inkster Terminal

The Inkster Terminal, located near Detroit, Michigan, contains eight salt caverns with a total storage capacity of approximately 975 thousand barrels. We use the Inkster Terminal's storage in connection with our Toledo, Ohio to Sarnia, Canada pipeline system and for the storage of liquefied petroleum gases ("LPGs") from Canada and a refinery in Toledo, which was sold by Sunoco to PBF Holding Company LLC in the first quarter 2011. The terminal can receive and ship LPGs in both directions at the same time and has a propane truck loading rack.

Refined Products Pipelines

Refined Products Pipelines

We own and operate approximately 2,500 miles of refined products pipelines in several regions of the United States. The refined products pipelines primarily transport refined products from refineries in the northeast, midwest and southwest United States to markets in New York, New Jersey, Pennsylvania, Ohio, Michigan and Texas. These operations include our controlling financial interest in Inland, which owns approximately 350 miles of refined products pipeline.

The products transported in these pipelines include multiple grades of gasoline, middle distillates (such as heating oil, diesel and jet fuel), and LPGs (such as propane and butane). In addition, certain of our pipelines in this segment transport NGLs from processing and fractionation areas to end-user markets. Rates for shipments on the Refined Products Pipelines are regulated by the FERC and the Pennsylvania Public Utility Commission ("PA PUC"), among other state regulatory agencies.

Since December 31, 2010, we completed the following acquisition related to our refined products pipelines:

- *Inland Corporation*—In May 2011, we acquired an 83.8 percent equity interest in Inland from Sunoco and Shell Oil Company. Inland is the owner of approximately 350 miles of active refined products pipelines in Ohio. The pipeline connects three refineries in Ohio to terminals and major markets within the state. As we have a controlling financial interest in Inland, the joint venture is reflected as a consolidated subsidiary in our consolidated financial statements. We assumed operatorship of the pipeline during 2012.

The following table shows the average shipments on the refined products pipelines in each of the years presented. Average shipments represent the average revenue-generating pipeline throughput:

	Year Ended December 31,		
	2013	2012	2011
Pipeline throughput (thousands of bpd)[1][2]	571	582	522

(1) Excludes amounts attributable to equity ownership interests in corporate joint ventures which are not consolidated.

(2) In May 2011, we acquired a controlling financial interest in Inland and we accounted for the entity as a consolidated subsidiary from the date of acquisition. Average volumes for the year ended December 31, 2011 of 88 thousand bpd have been included in the consolidated total. From the date of acquisition, this pipeline had actual throughput of 140 thousand bpd for the year ended December 31, 2011.

The mix of refined products delivered varies seasonally, with gasoline demand peaking during the summer months, and demand for heating oil and other distillate fuels peaking in the winter. In addition, weather conditions in the areas served by the Refined Products Pipelines affect both the demand for, and the mix of, the refined products delivered through the pipelines, although historically any overall impact on the total volume shipped has been short-term.

Joint Ventures

We own equity interests in several common carrier refined products pipelines, summarized in the following table:

Pipeline	SXL Equity Ownership	Approximate Pipeline Mileage
Explorer Pipeline Company [1]	9.4%	1,850
Yellowstone Pipe Line Company [2]	14.0%	700
West Shore Pipe Line Company [3]	17.1%	650
Wolverine Pipe Line Company [4]	31.5%	700

(1) The system, which is operated by Explorer employees, originates from the refining centers of Beaumont, Port Arthur and Houston, Texas, and extends to Chicago, Illinois, with delivery points in the Houston, Dallas/Fort Worth, Tulsa, St. Louis, and Chicago areas. Explorer charges market-based rates for all its tariffs.

(2) The system, which is operated by Phillips 66, originates from the Billings, Montana refining center and extends to Moses Lake, Washington with delivery points along the way. Tariff rates are regulated by the FERC for interstate shipments and the Montana Public Service Commission for intrastate shipments in Montana.

(3) The system, which is operated by Buckeye, originates from the Chicago, Illinois refining center and extends to Madison and Green Bay, Wisconsin with delivery points along the way. West Shore charges market-based tariff rates in the Chicago area.

(4) The system, which is operated by Wolverine employees, originates from Chicago, Illinois and extends to Detroit, Grand Haven, and Bay City, Michigan with delivery points along the way. Wolverine charges market-based rates for tariffs at the Detroit, Jackson, Niles, Hammond, and Lockport destinations.

Pipeline and Terminal Control Operations

Almost all of our pipelines are operated via satellite, microwave, and frame relay communication systems from central control rooms located in Sugar Land, Texas and Montello, Pennsylvania. The Sugar Land control center primarily monitors and controls our Crude Oil Pipelines, and the Montello control center primarily monitors and controls our Refined Products Pipelines. The Nederland Terminal has its own control center.

The control centers operate with Supervisory Control and Data Acquisition, or SCADA, systems that continuously monitor real time operational data, including throughput, flow rates, and pressures. In addition, the control centers monitor alarms and throughput balances. The control centers operate remote pumps, motors and valves associated with the delivery of throughput products. The computer systems are designed to enhance leak-detection capabilities, sound automatic alarms if operational conditions occur outside of pre-established parameters, and provide for remote-controlled shutdown of pump stations on the pipelines. Pump stations and meter-measurement points along our pipelines are linked by satellite or telephone communication systems for remote monitoring and control, which reduces the requirement for full-time on-site personnel at most of these locations.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the consolidated financial statements of Sunoco Logistics Partners L.P. Among other things, those consolidated financial statements include more detailed information regarding the basis of presentation for the following information.

Overview

We, Sunoco Logistics Partners L.P. or "SXL," are a Delaware limited partnership which is principally engaged in the transport, terminalling and storage of crude oil, refined products and natural gas liquids ("NGLs"). In addition to logistics services, we also own acquisition and marketing assets which are used to facilitate the purchase and sale of crude oil, refined products and NGLs. Our portfolio of geographically diverse assets earns revenues in more than 30 states located throughout the United States. Revenues are generated by charging tariffs for transporting crude oil, refined products and NGLs through our pipelines as well as by charging fees for various services at our terminal facilities. Revenues are also generated by acquiring and marketing crude oil, refined products and NGLs. Generally, our commodity purchases are entered into in contemplation of or simultaneously with corresponding sale transactions involving physical deliveries, which enables us to secure a profit on the transaction at the time of purchase.

On October 5, 2012, Sunoco, Inc. ("Sunoco") was acquired by Energy Transfer Partners, L.P. ("ETP"). Prior to this transaction, Sunoco (through its wholly-owned subsidiary Sunoco Partners LLC) served as our general partner and owned a two percent general partner interest, all of our incentive distribution rights and a 32.4 percent limited partner interest in SXL. In connection with the acquisition, Sunoco's general and limited partner interests in us were contributed to ETP, resulting in a change in control of our general partner. As a result, we became a consolidated subsidiary of ETP and elected to apply "push-down" accounting, which required our assets and liabilities to be adjusted to fair value on the closing date, October 5, 2012. The effective date of the acquisition for accounting and reporting purposes was deemed to be October 1, 2012. Due to the application of "push-down" accounting, our consolidated financial statements and certain footnote disclosures are presented in two distinct periods to indicate the application of two different bases of accounting during those periods. The periods prior to the acquisition date, October 5, 2012, are identified as "Predecessor" and the periods from October 5, 2012 forward are identified as "Successor," and our operating results for the years ended December 31, 2013, 2012 and 2011 are presented in comparative periods. We performed an analysis and determined that the activity from October 1, 2012 through October 4, 2012 was not material in relation to our financial position, results of operations or cash flows. Therefore, operating results between October 1, 2012 and October 4, 2012 have been included within the "Successor" period ended December 31, 2012.

In July 2013, the limited liability agreement of Sunoco Partners LLC was amended to reflect the addition of ETE Common Holdings, LLC ("ETE Holdings") as an owner of a 0.1 percent membership interest in our general partner. ETE Holdings is a wholly-owned subsidiary of Energy Transfer Equity, L.P., and an affiliate of ETP. This change in the ownership of the general partner did not impact our consolidated financial statements. Subsequent to the amendment, we remain a consolidated subsidiary of ETP. In addition, the 33.5 million common units owned by Sunoco Partners LLC were assigned to ETP.

Strategic Actions

Our primary business strategies focus on generating stable cash flows by increasing pipeline and terminal throughput, utilizing our crude oil gathering assets to maximize value for producers, pursuing economically accretive organic growth opportunities, and continuing to improve operating efficiencies and reduce costs. We also utilize our pipeline systems to take advantage of market dislocations. We believe these strategies will result in continuing increases in distributions to our unitholders. As part of our strategy, we have undertaken several initiatives including the acquisitions and growth capital programs described below.

Acquisitions

Since December 31, 2010, we completed five acquisitions for a total of $554 million.

2013 Acquisition

- *Marcus Hook Facility*—In the second quarter 2013, we acquired Sunoco's Marcus Hook facility and related assets (the "Marcus Hook Facility"). The acquisition of terminalling and storage assets located in Pennsylvania and Delaware included underground storage caverns with a capacity of approximately 2 million barrels, deep water berths, rail access and trucking capabilities, and advantageous pipeline access. In addition, the acquisition included commercial agreements, including a reimbursement agreement under which Sunoco will reimburse us

$40 million for certain operating expenses of the Marcus Hook Facility through March 31, 2017. Since the transaction was with an entity under common control, we recorded the assets acquired and liabilities assumed at Sunoco's net carrying value. The acquisition was included within the Terminal Facilities segment.

2011 Acquisitions

- *East Boston Terminal*—In August 2011, we acquired a refined products terminal, located in East Boston, Massachusetts, from affiliates of ConocoPhillips. The terminal is the sole service provider to Logan International Airport under a long-term contract to supply jet fuel. The terminal includes a 10-bay truck rack and approximately 1 million barrels of capacity. The terminal was included in the Terminal Facilities segment from the date of acquisition;
- *Crude Oil Acquisition and Marketing Business*—In August 2011, we acquired a crude oil acquisition and marketing business from Texon L.P. ("Texon"). The purchase consisted of a lease crude business and gathering assets in 16 states, primarily in the western United States. The crude oil volume of the business consisted of approximately 75,000 barrels per day at the wellhead. The business was included in the Crude Oil Acquisition and Marketing segment from the date of acquisition;
- *Eagle Point Tank Farm*—In July 2011, we acquired the Eagle Point tank farm from Sunoco. The tank farm is located in Westville, New Jersey and consists of approximately 5 million barrels of active storage for refined products and dark oils. The tank farm was included in the Terminal Facilities segment from the date of acquisition; and,
- *Controlling Financial Interest in Inland Corporation*—In May 2011, we acquired an 83.8 percent equity interest in Inland Corporation ("Inland"), which is the owner of 350 miles of active refined products pipelines in Ohio. The pipeline connects three refineries in Ohio to terminals and major markets in Ohio. We acquired our equity interest through a purchase of a 27.0 percent equity interest from Shell Oil Company and a 56.8 percent equity interest from Sunoco. The pipeline was included in the Refined Products Pipeline segment from the date of acquisition.

Growth Capital Program

In 2013, we invested $965 million in organic growth capital projects to improve operational efficiencies, reduce costs, expand existing facilities and construct new assets to increase storage, throughput volume or the scope of services we are able to provide. These included projects to: invest in our crude oil infrastructure by increasing pipeline capabilities through previously announced expansion capital projects in Texas and Oklahoma; expand upon refined products acquisition and marketing services; upgrade the service capabilities at the Eagle Point and Nederland terminals; and invest in the previously announced Mariner and Allegheny Access projects. We continued to expand our operations into pipeline transportation, storage and acquisition and marketing of NGLs in the northeastern United States with the successful launch of our pipeline project to deliver ethane from the Marcellus Shale Basin to Ontario ("Project Mariner West") and the acquisition of the Marcus Hook Facility. The results of the NGL pipeline transportation operations are included in the Refined Products Pipelines segment and the results of the NGL acquisition, storage and marketing activities are included in the Terminal Facilities segment. While these activities have not had a material impact on our operational results to date, we will continue to expand our NGL platform through previously announced growth projects that are expected to commence operations throughout 2014 and 2015.

During 2014, we expect to invest at least $1.3 billion in expansion capital expenditures related to organic growth, excluding major acquisitions. This includes spending to capture more value from existing assets such as the Marcus Hook Facility, the Nederland Terminal and our patented blending technology. Expansion capital expenditures in 2014 will also include continued progress on our previously announced growth projects:

Allegheny Access

In 2012, we completed a successful Open Season for our project to transport refined products from the midwest to eastern Ohio and western Pennsylvania markets. This project will utilize new and existing assets and is expected to transport 85,000 barrels per day, with the possibility for expansion to meet further demand. The project is expected to commence operations during the third quarter 2014.

Eaglebine Express

In the second quarter 2013, we completed a successful Open Season for our Eaglebine Express pipeline. An existing portion of our MagTex refined products pipeline will be converted into crude service and its flow reversed, to provide takeaway capacity for the growing production in the Eaglebine and Woodbine crude areas. Eaglebine Express is expected to transport approximately 60,000 barrels per day from Hearne, Texas to Nederland, Texas starting in the third quarter 2014.

Exhibit 21.1

Sunoco Logistics Partners L.P.

Subsidiaries of the Registrant
(50.1% or greater ownership)

Legal Entity Name	Inc./Org./Reg.
Sunoco Partners LLC	Pennsylvania
Sunoco Logistics Partners L.P.	Delaware
Sunoco Logistics Partners GP LLC	Delaware
Sunoco Logistics Partners Operations L.P.	Delaware
Sunoco Logistics Partners Operations GP LLC	Delaware
Sunoco Partners Lease Acquisition & Marketing LLC	Delaware
Sunoco Partners Marketing & Terminals L.P.	Texas
Sunoco Pipeline L.P.	Texas
Sunoco Pipeline Acquisition LLC	Delaware
Sun Pipe Line Company of Delaware LLC	Delaware
Mid-Valley Pipeline Company	Ohio
West Texas Gulf Pipe Line Company	Delaware
Excel Pipeline LLC	Delaware
Inland Corporation	Ohio
Sunoco Partners Real Estate Acquisition LLC	Delaware
Sunoco Partners Operating LLC	Delaware
Sunoco Partners Rockies LLC	Delaware
Sunoco Partners NGL Facilities LLC	Delaware

Appendix B

Terminal:

Twin Oaks

Address

4041 Market St.
P.O.Box 2060
Aston, PA 19014

Business Contact

Jeff Karnes
Business Development
610-859-5431
jskarnes@sunocologistics.com

Products Handled

RBOB, Heating Oil, Ethanol, PBOB

Capacity

90,000 bbls

Pipeline Connections

Sunoco Marcus Hook Refinery

Special Notes

Services: Additive, Ethanol, Red Dye

Sunoco Logistics

Mariner Projects
Utica/ Marcellus NGL Takeaway Conference

April 29, 2014

SXL
LISTED
NYSE

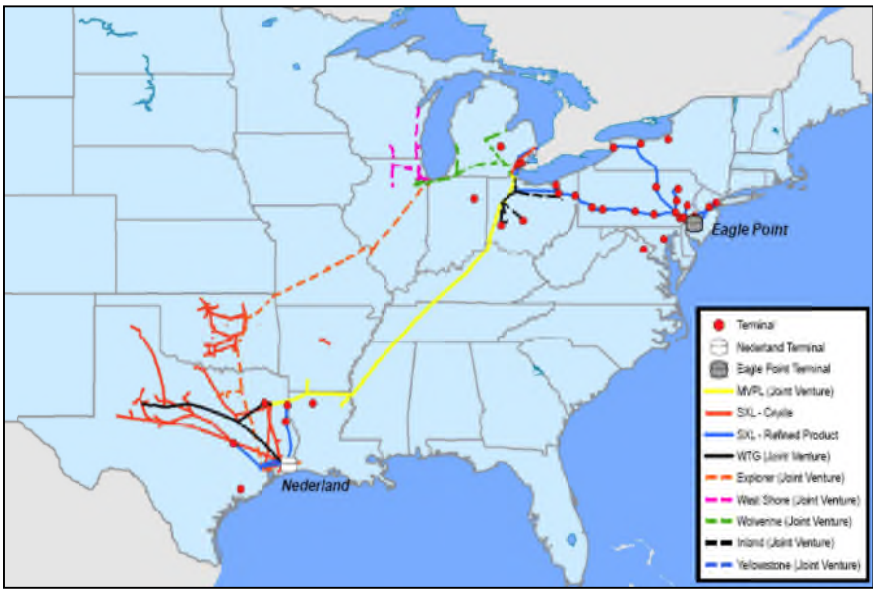
Forward-Looking Statements

Statements we make that are not historical facts are forward-looking statements. These forward-looking statements are not guarantees of future performance. Although we believe the assumptions underlying these statements are reasonable, investors are cautioned that such forward-looking statements involve risks and uncertainties that may affect our business and cause actual results to differ materially from those discussed in this presentation. Such risks and uncertainties include economic, business, competitive and/or regulatory factors affecting our business, as well as uncertainties related to the outcomes of pending or future litigation. Sunoco Logistics Partners L.P. has included in its Annual Report on Form 10-K for the year ended December 31, 2012 cautionary language identifying important factors (though not necessarily all such factors) that could cause future outcomes to differ materially from those set forth in the forward-looking statements. For more information about these factors, see our SEC filings, available on our website at www.sunocologistics.com. We expressly disclaim any obligation to update or alter these forward-looking statements, whether as a result of new information, future events or otherwise.

This presentation includes certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures are provided in the appendix to this presentation. You should consider carefully the comparable GAAP measures and the reconciliations to those measures provided in this presentation.

Sunoco Logistics Asset Overview

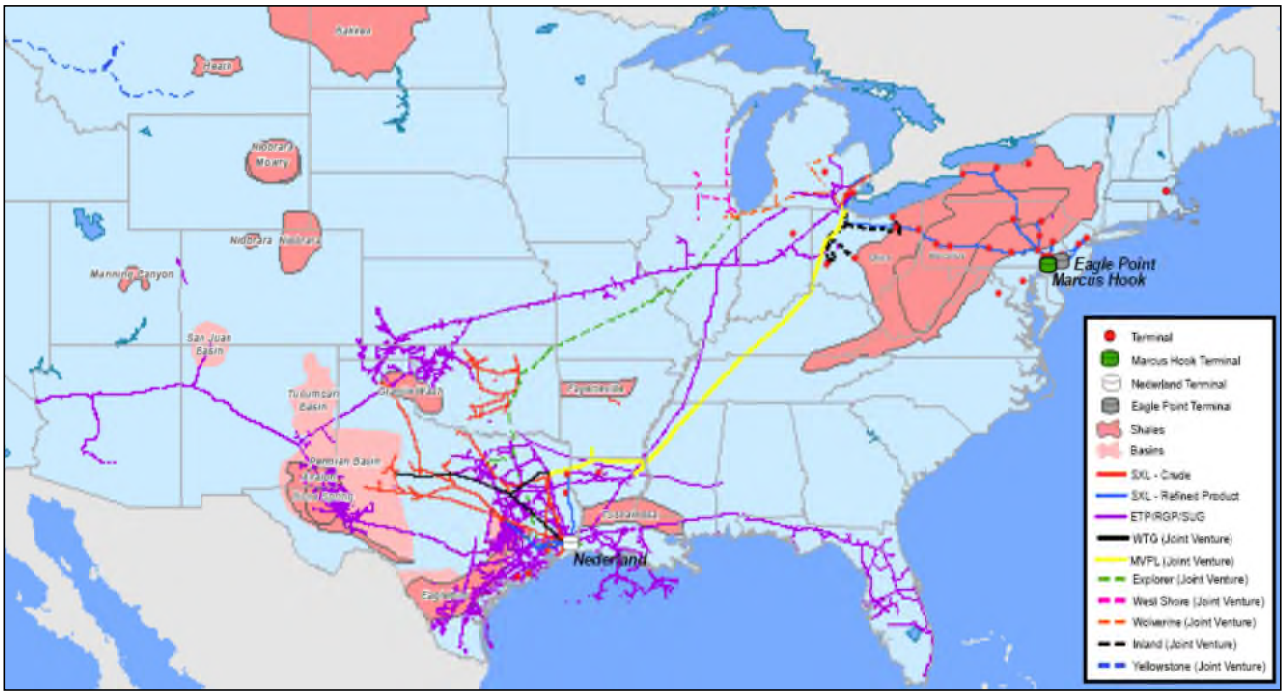
- Serve key U.S. refining and production centers in U.S. Northeast, Midwest, and Gulf Coast
- 2,500 miles of refined product and NGL pipelines
- 5,400 miles of crude pipelines
- 42 active refined product terminals
- ~40 MMB of combined crude oil, refined products and NGL storage capacity



3

Sunoco Logistics

Sunoco Logistics and Energy Transfer Assets



Sunoco Logistics

Ethane Takeaway- How Did We Get Here?

- The early "Ethane Situation"…
- Volume Estimates
  - 2009/2010 vs. today
- The Mariner Concept
  - Re-purposing of existing pipelines
- Timing critical as blending opportunities diminish
- Market development as concepts emerge

Sunoco Logistics

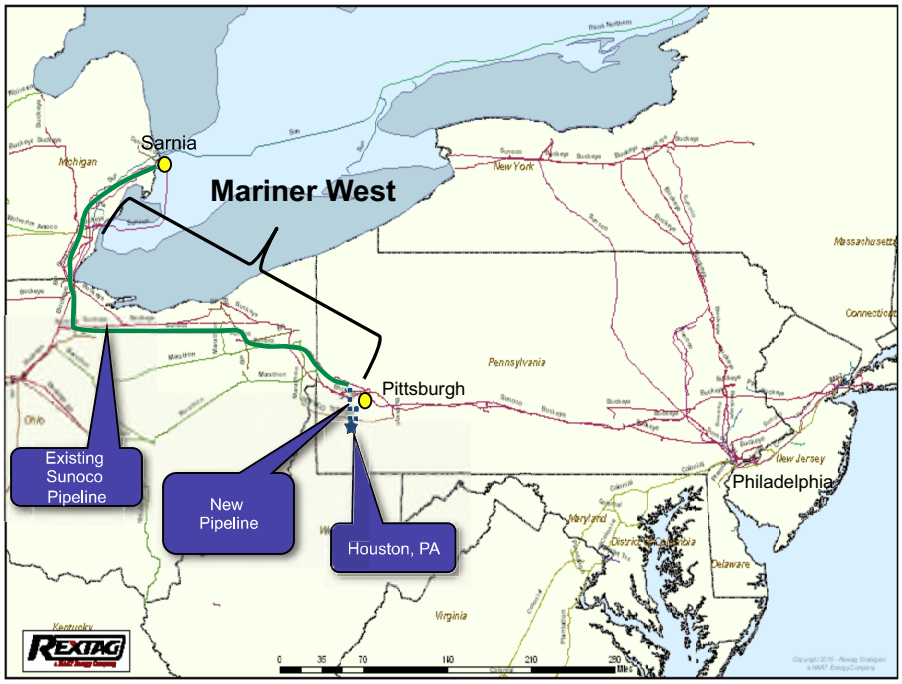
SXL NGL Projects

	Pipeline	Chilling	Refrigerated Storage	Exports
Mariner West				
Ethane	X			X
Mariner South 1				
Propane	X	X	X	X
Butane	X	X	X	X
Mariner East 1 Interim				
Propane	X	X		X
Butane	X	X		X
Natural Gasoline	X			X
Mariner East 1				
Propane	X	X	X	X
Ethane	X	X	X	X
Mariner East 2				
Ethane	X	X		X
Propane	X	X	X	X
Butane	X	X	X	X
Natural Gasoline	X			X

Mariner West Ethane Pipeline Overview

47 MBD Ethane Pipeline from Houston, PA to Sarnia, Canada

- Origin – MarkWest Houston fractionator
- New pipeline to Vanport, PA
- Converted existing 8/10" products pipeline to Sarnia
- Operational in December 2013
- Potential 30 MBD expansion

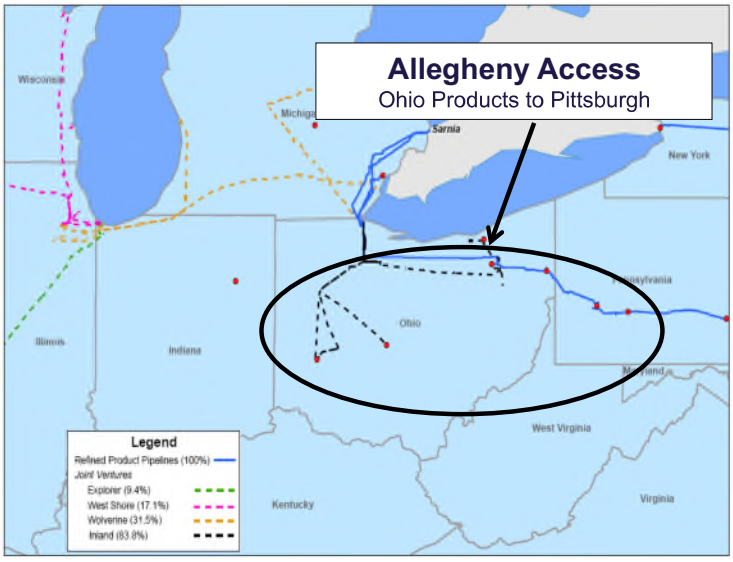


7

Sunoco Logistics

Allegheny Access – Refined Products

- Midwest products to Eastern Ohio and Western Pennsylvania:
  - Strong demand to move Midwest refined products east
    - Refinery expansions
    - Refinery economics
  - Utilizes existing and new assets
  - Successful Open Season
    - Initial capacity of 85 MB/D
    - Expandable to 110 MB/D
  - 1H14 projected start-up



Sunoco Logistics

Key Points on US LPG Exports

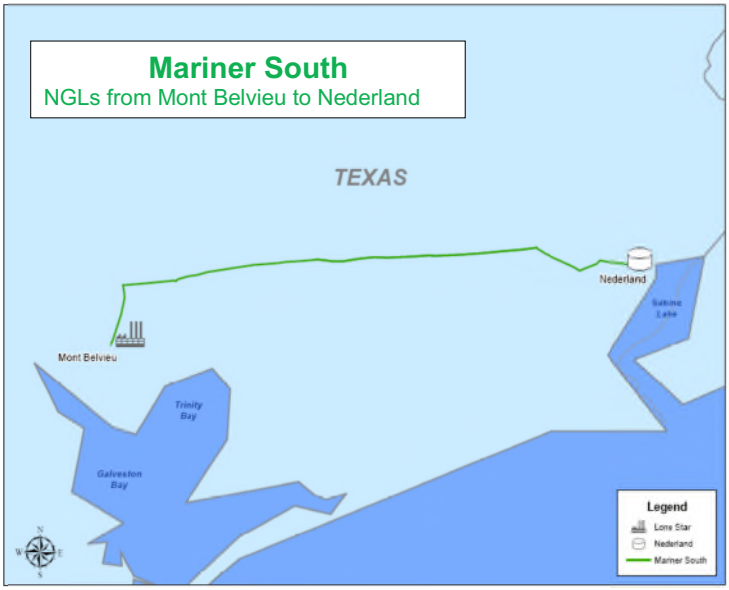
- Exports have doubled since 2010
- Europe has been the fastest growing US export market
- **Marcus Hook – advantaged over the Gulf Coast to Europe**
- Exports continue to grow with new fractionation capacity
- **Mid-2015 - export boom to Far East via Panama Canal**
- **Marcus Hook is at par with USGC to Far East**
- Propane and Butane need to export

Sunoco Logistics

Mariner South Overview

200 MBD Propane/Butane Pipeline and Export Terminal on Gulf Coast

- Origin - Lone Star's fractionator in Mont Belvieu
- SXL pipeline to Nederland Terminal for exporting
- Construct chilling and refrigerated tankage at Nederland
- 1Q15 projected start-up
- Potential expansion

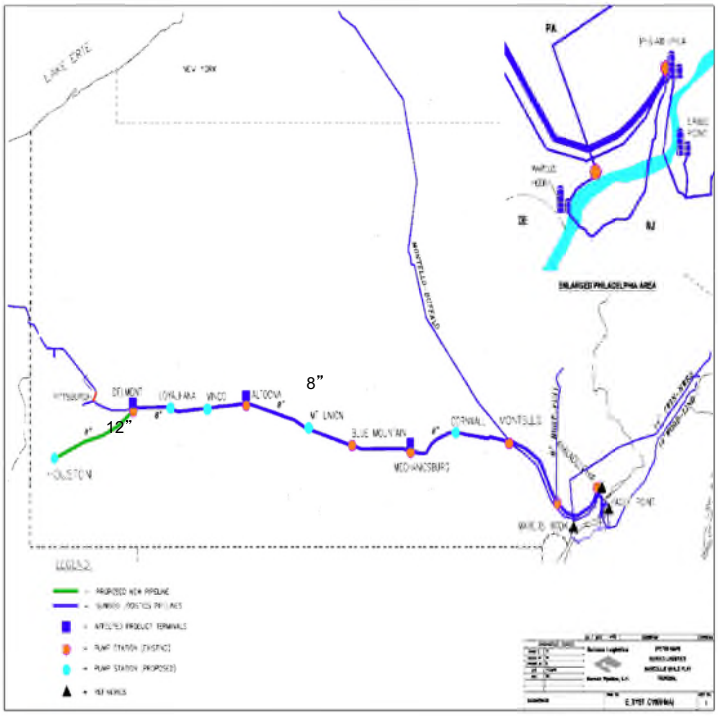


Sunoco Logistics

Mariner East 1 Overview

72 MBD Ethane/Propane Mix Pipeline and Export Terminal in Northeast

- New 12” pipeline from Houston to Delmont
- Convert 8” pipeline from Delmont to Marcus Hook
- Construct E/P splitter at MH Terminal
- Construct ethane chilling and refrigerated storage
- Construct propane chilling and refrigerated storage



11

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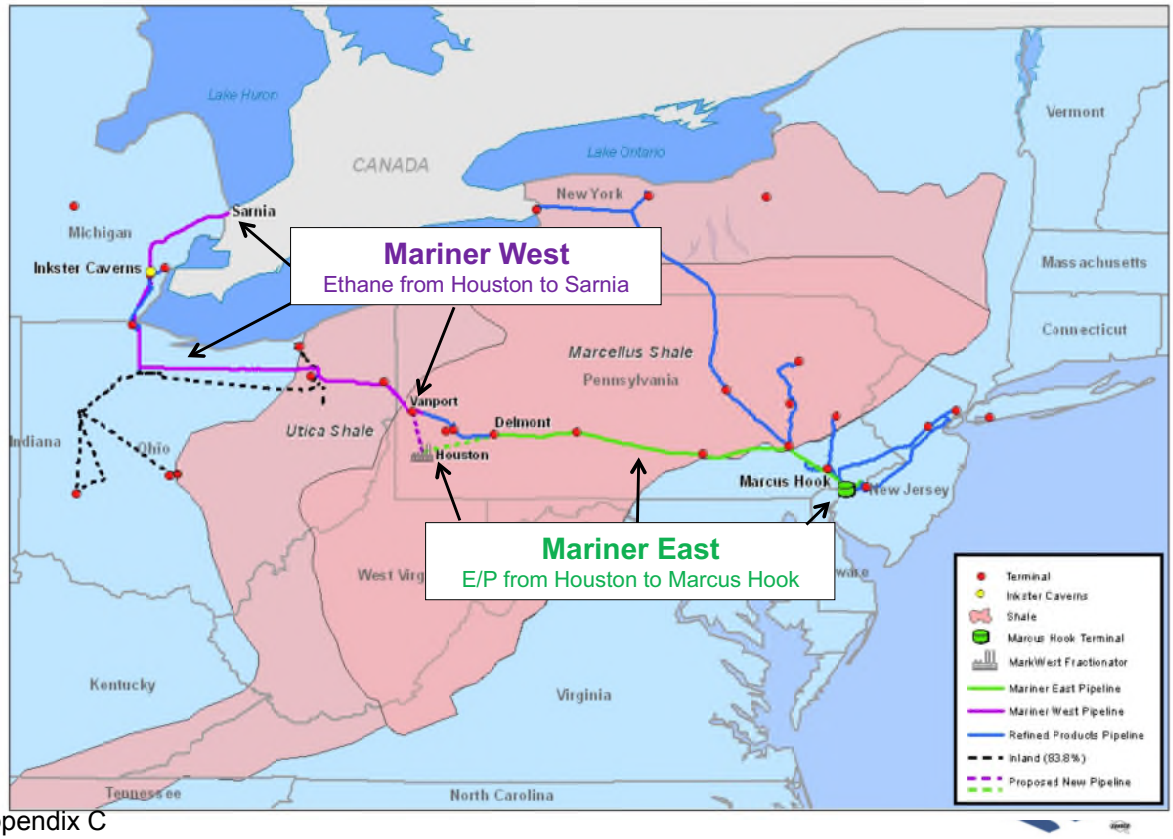
Mariner West and East



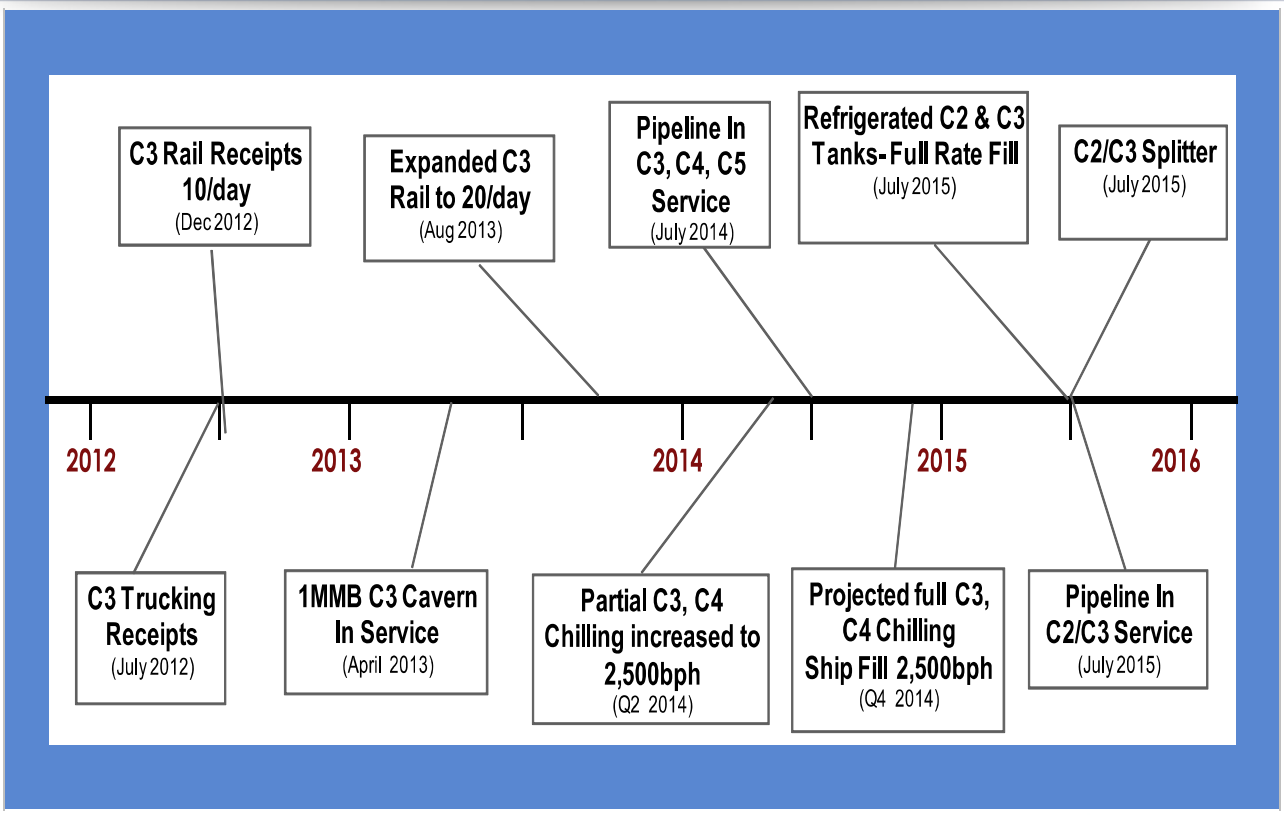
12

Mariner East 2 Interim Solution

- Interim operation – Propane exports NOW
  - Ramp up capacity during facility build out
    - Facilitates production growth and early export advantage
  - Increased rail/truck receipt capacity
  - Early chilling/refrigeration – increase load rate from 1000 bph to 2500 bph
  - Early pipeline – ~summer 2014
    - Propane, Butane and Natural Gasoline

Sunoco Logistics

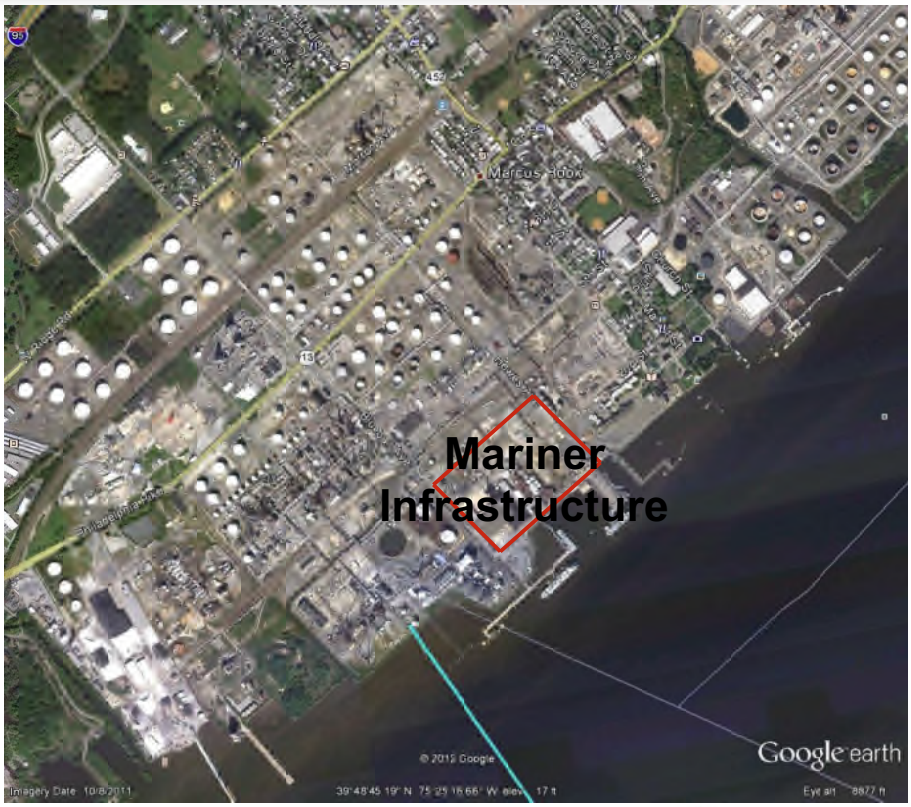
Mariner East 1 Time Line



Sunoco Logistics

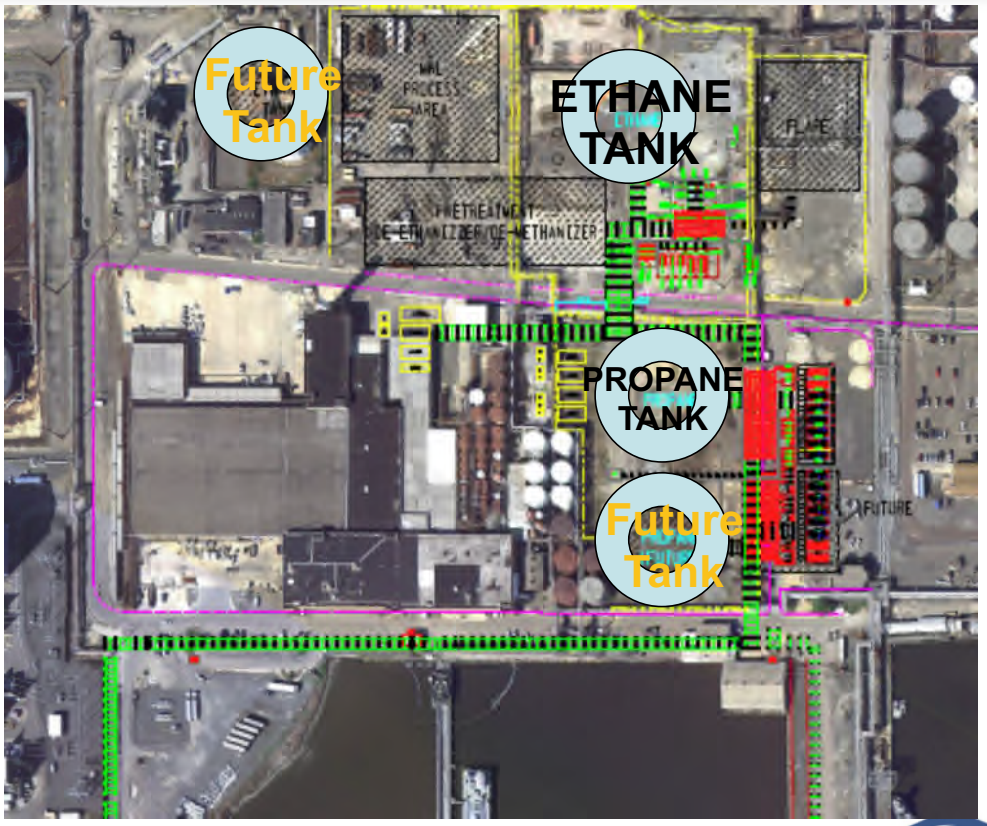
Marcus Hook Industrial Complex

- Former 180 MBD Refinery
- Acquired March 2013
- 800 Acre site
- 2 MMB of Cavern storage
- 5 MMB of liquid tankage
- 4 Ship and 1 Barge dock



Sunoco Logistics

Marcus Hook LPG Facility Plot Plan



Sunoco Logistics

Marcus Hook LPG Storage

- Existing LPG Storage Capacity
  - ~900 MB for Butane (3 Caverns)
  - ~1,100 MB for Propane (1 Cavern)
  - 50 MB Spheres (2)
- Mariner East 1
  - Adding 300 MB Ethane refrigerated storage
  - Adding 500 MB Propane refrigerated storage
- Mariner East 2
  - Additional Propane storage based on volume commitments
  - Butane refrigerated storage

Sunoco Logistics

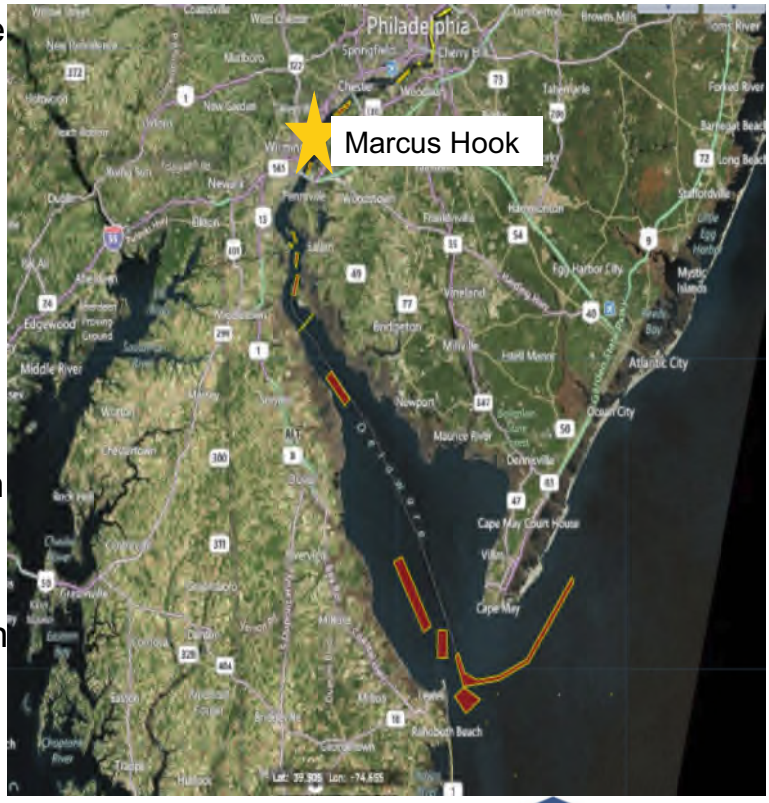
Marcus Hook Docks

4 Ship Docks
VLGC Capable

Sunoco Logistics

SXL Delaware River Expertise

- Managed 800+MBPD of marine feedstock
- Thousands of marine movements yearly
- Excellent Coast Guard and Pilots relationship
- Area refineries dependent upon marine supplied feedstock
- Knowledge and experience with marine LPG movements



19

Sunoco Logistics

Marcus Hook Export Advantages

- Fully refrigerated above ground tanks capable of loading VLGC's at 25,000 bbl/hr
- Growing International demand- waterborne cargo flexibility
- Ideal location with distribution flexibility
  - Local/ coastal/ international
- Export will be necessary for balance, and Marcus Hook is ideal location
  - Export option at Marcus Hook will yield highest netback to producers

Sunoco Logistics

LPG Truck/ Rail Infrastructure

- Truck Loading/Offloading Rack for Propane/Butane:
  - 64 propane trucks/day at 4 spots
  - 48 butane trucks/day at 3 spots
  - Expandable
  - 2 - 25 MB Propane spheres connected to loading rack

- Rail Loading/Offloading:
  - Served by Conrail (CSX and NS service the facility)
  - ~ 20 cars/day
  - Expandable

Sunoco Logistics

Ethane Waterborne Markets

- Mariner East
  - Phase 1 - 40 MBPD - Firm
  - Phase 2 - 18 MBPD - Firm
    7 MBPD - Uncommitted
  - World class load rate (16,000 bph)
  - Access to world markets
  - Premium Spec

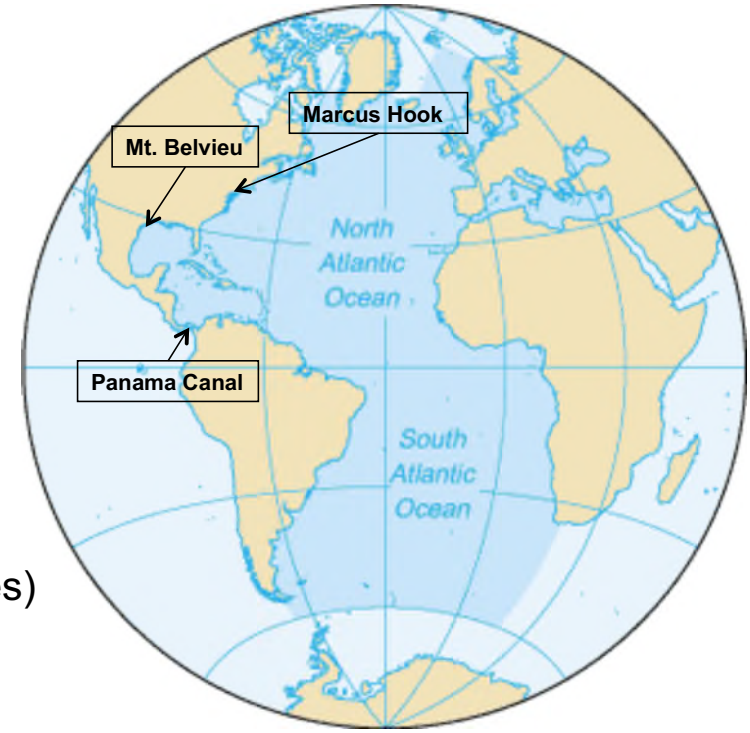
- Additional Demand Interest of 150+ MBPD and growing
  - Credit worthy shippers
  - Long term contracts

Significant opportunity in next few years
as market and infrastructure develops further

Sunoco Logistics

VLGC Rates: Marcus Hook vs Mont Belvieu

- Europe from
  - Marcus Hook 3 CPG advantage over Houston
- Japan from (via canal)
  - Comparable costs from Marcus Hook and Houston
- Houston port issues
  - 2 day dock window
  - Channel congestion
  - Slower loading rates
  - Weather (Fog/Hurricanes)



Sunoco Logistics

2015 Projected Shipping Rates (¢/Gal)

Destination	Semi Ref (140 M BBLS)	VLGC (550 M BBLS)
Europe	27	8
Far East	67	20

Key Points

•Widening of Panama Canal in 2015

•Potential Overbuilding of VLGCs

•Ability to load split cargos will be competitive advantage

Sunoco Logistics

2015 Projected Shipping Rates (¢/Gal)

Destination		USCG	Marcus Hook
Europe	Semi ref (140 MBBLs)	37	27

Key Point

•Marcus Hook: up to10 cpg advantage

Based on time charter economics- Houston vs. Marcus Hook round trip to Europe

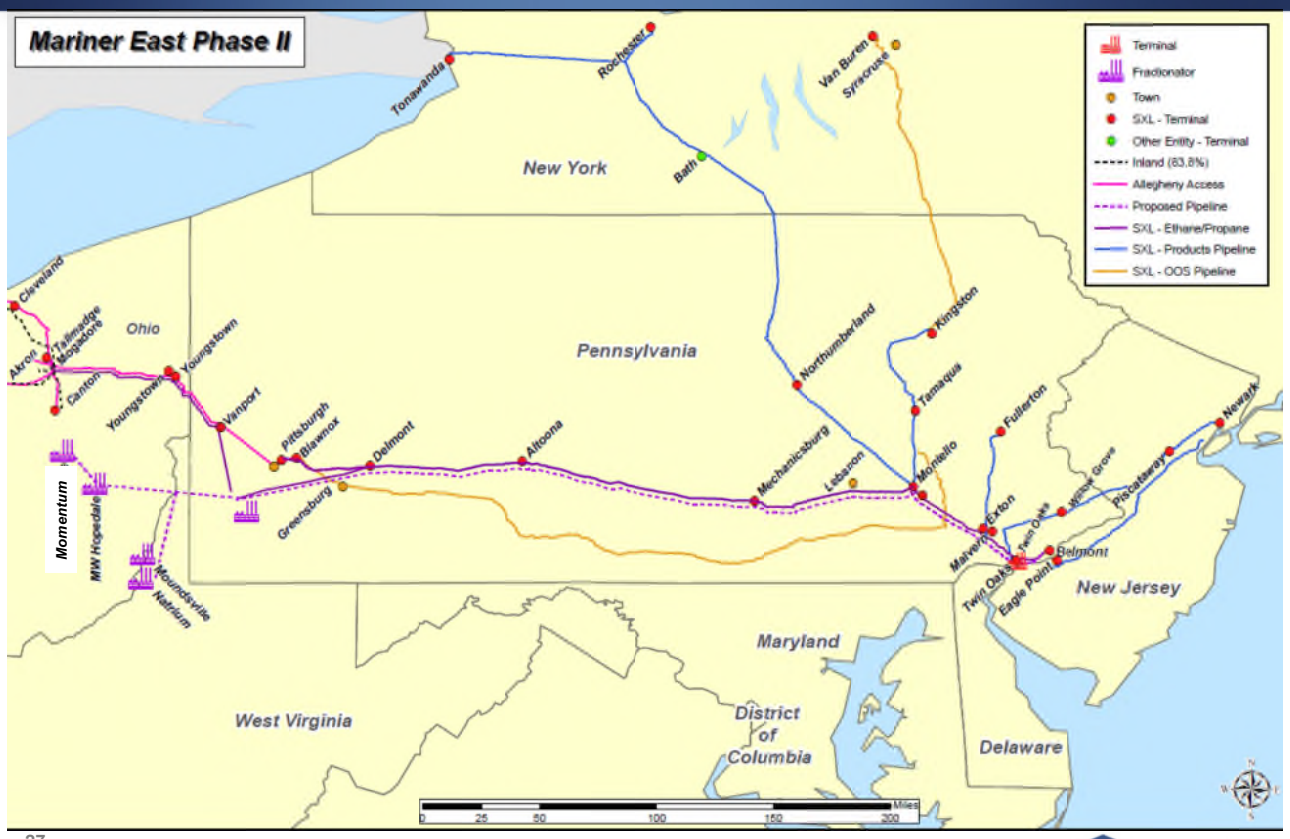
Sunoco Logistics

Houston Ship Channel vs Philadelphia

	Port of Houston	Port of Philadelphia
Channel project width	400 feet (122m)	800 feet (244m)
General Port Traffic (ships and tugs)	166,793	4167
Fog delays 2012	390 hours	0
Channel Closures 2012	629 hours	0
Hurricane events	Days of closure, up to 6 days wait for direct hits	12 hrs 2012 (Sandy)

Sunoco Logistics

Mariner East Phase 2



Sunoco Logistics

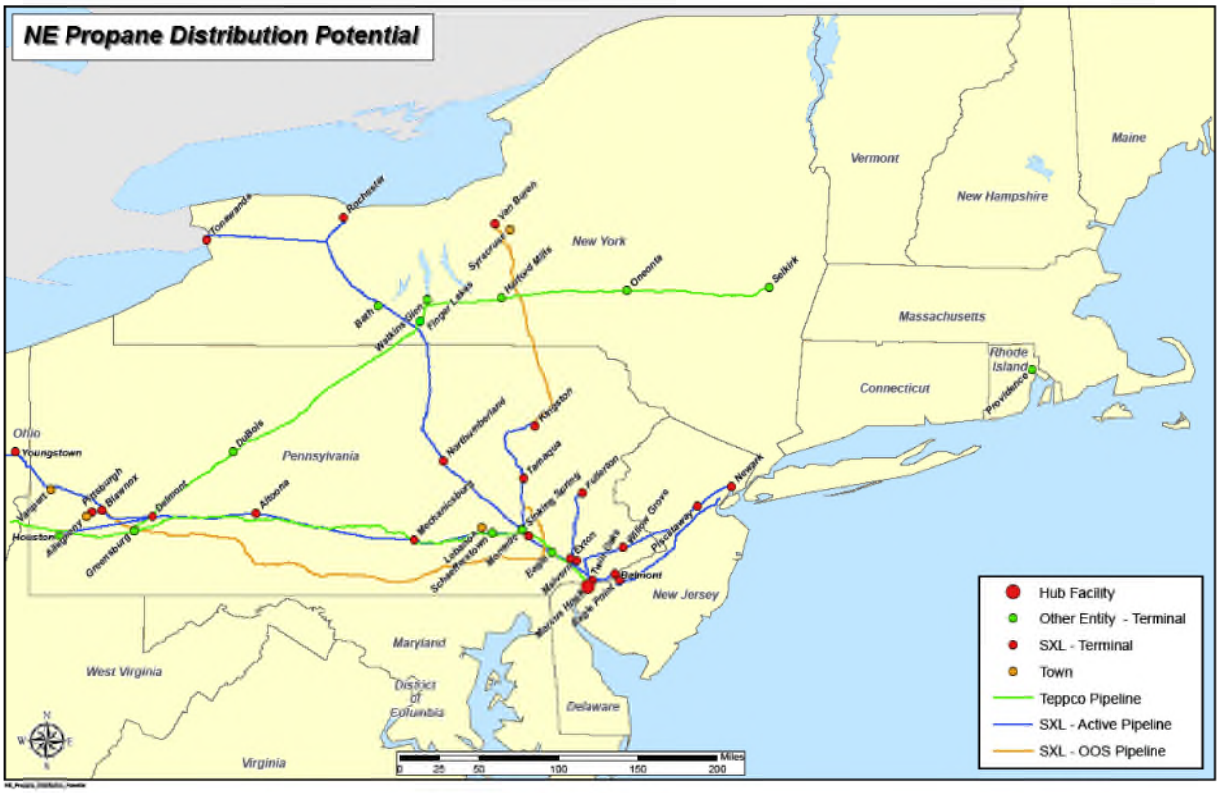
Mariner East Phase 2 Overview

Propane/Butane/Natural Gasoline Batching Pipeline to Marcus Hook

- New and existing pipeline from Basin Fractionators to the Marcus Hook
- Convert Mariner East 1 pipeline to ethane only service
- Construct refrigerated propane and butane storage
- Utilize existing SXL tankage for natural gasoline storage and distribution
- Enhance ethane, propane, butane and natural gasoline export capabilities
- Potential PDH plant
- Online 27 months from execution of contracts

Sunoco Logistics

Northeast Propane Distribution Potential



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Domestic Seasonal Optionality

- Refinery and local propane terminal closings, propane shortage exists in local markets
  - Winter 2013/14: Polar Vortex

- Storage and redistribution options:
  - Caverns at Marcus Hook
  - MH Propane loading rack
  - Pipeline connectivity options:
    - Inergy: Bath storage
    - Plains: Schaefferstown, PA
    - Amerigas: Sinking Springs
    - New distribution at existing SXL terminals

Sunoco Logistics

Mariner East 2 Economic Advantages

- Distance from Marcellus / Utica – pipeline cost
- Lower terminalling/exporting cost (CPG)
- Excellent interim export operation
- Ability to obtain the international arbitrage
- Distribution outlets to the premium NE market

Sunoco Logistics

Mariner East 2 Export Shipment Advantages

- World class ship loading rates (BPH)
- Virtually unlimited dock capacity
- Uncrowded ship channel
- Shipping logistics

Sunoco Logistics

Mariner Projects: Comprehensive NGL Takeaway

- Mariner East and West provide flexible, scalable NGL takeaway options for the Marcellus and Utica basin
  - Efficient solutions for both must recover and discretionary volumes

- World class export capabilities through Marcus Hook
  - Connect increasing production with growing international demand

Sunoco Logistics

Supplement No. 5
to
Tariff Pipeline – Pa. P.U.C. No. 15

SUNOCO PIPELINE L.P.

LOCAL TARIFF

Applying On

The Intrastate Transportation of
Petroleum Products
Within
Pennsylvania

The rates contained herein are for the intrastate transportation of petroleum products by pipeline, and are governed by the rules and regulations published in Sunoco Pipeline L.P.'s Tariff Pipeline - Pa. P.U.C. No. 8, supplements thereto and successive reissues thereof.

ISSUED: NOVEMBER 27, 2013 **EFFECTIVE: DECEMBER 1, 2013**

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LIST OF CHANGES MADE IN THIS SUPPLEMENT

Supplement No. 5 reflects suspended service from Point Breeze to Mechanicsburg, effective December 1, 2013.

SUNOCO PIPELINE L.P. **Supplement No. 5 to Tariff Pipeline – Pa. P.U.C. No. 15**
Fifth Revised Page No. 2, Cancelling Fourth Revised Page No. 2

TO		TRUNK RATE FROM		
		Point Breeze, Philadelphia County, Pennsylvania	**Montello, Berks County, Pennsylvania (Laurel Pipeline Company)**	**Twin Oaks, Delaware County, Pennsylvania**
POINTS IN PENNSYLVANIA	**COUNTY**	**Rate in Cents per Barrel of 42 U.S. Gallons**		
Chelsea	Delaware			8.76
Exton	Chester	48.77		
Fullerton	Lehigh	70.28		
Kingston	Luzerne	82.10		
Macungie	Lehigh	66.19		
Mechanicsburg	Cumberland	[C]		
Montello	Berks	32.90		
Northumberland	Northumberland	76.38	51.03	
Tamaqua	Schuylkill	78.50		
Williamsport	Lycoming	80.75	63.13	
Willow Grove	Montgomery			50.82
		Salem Westmoreland County, Pennsylvania (Laurel Pipeline Company)	**Chelsea, Delaware County, Pennsylvania**	
Blawnox	Allegheny	19.82		
Delmont	Westmorland	14.86		
Pittsburgh	Allegheny	17.61		
Willow Grove	Montgomery		44.04	

(A) INCENTIVE RATES: Incentive Rates shall apply when Shipper's collective shipments from Point Breeze to Eldorado exceed 14,442,000.

[C] Indicates Cancelled Rate

ISSUED: NOVEMBER 27, 2013 **EFFECTIVE: DECEMBER 1, 2013**