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November 27, 2018

BY FEDERAL EXPRESS

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, Filing Room Harrisburg, PA 17120 RECEIVED

NOV 27 2018

PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

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Re:

Meghan Flynn, et al. v. Sunoco Pipeline L.P.; Docket No. P-2018-3006117; SUNOCO PIPELINE L.P.'S ANSWER TO PETITION FOR EMERGENCY RELIEF

Dear Secretary Chiavetta:

Enclosed for filing with the Pennsylvania Public Utility Commission is Sunoco Pipeline L.P.'s Answer to Petition for Emergency Relief in the above-referenced proceeding.

If you have any questions regarding this filing, please contact the undersigned.

Very truly yours,

Thomas J. Sniscak Kevin J. McKeon Whitney E. Snyder

Counsel for Sunoco Pipeline L.P.

WES/das

Enclosure

cc:

Rich Raiders, Esquire (counsel for Andover Homeowners' Association, Inc.)
Garrett P. Lent, Esquire (counsel for Range Resources – Appalachia LLC)
Per Certificate of Service

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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MEGHAN FLYNN ROSEMARY FULLER

NOV 2 7 2018

MICHAEL WALSH

PA PUBLIC UTILITY COMMISSION

NANCY HARKINS GERALD MCMULLEN

SECRETARY'S BUREAU

CAROLINE HUGHES and MELISSA HAINES

Complainants,

Docket No. P-2018-3006117

٧.

SUNOCO PIPELINE L.P.,

Respondent.

SUNOCO PIPELINE, L.P.'S ANSWER TO PETITION FOR INTERIM EMERGENCY RELIEF

Sunoco Pipeline L.P. ("SPLP"), by its counsel, responds¹ to the Petition for Interim Emergency Relief as follows:

A. The Commission has already decided SPLP's Public Awareness program and materials do not merit emergency injunctive relief.

Just a few months ago, the Commission decided that SPLP's public awareness 1. program does not merit injunction of its pipelines. State Senator Andrew Dinniman v. Sunoco Pipeline L.P., Docket Nos. P-2018-3001453 et al., June 14, 2018 Order at pp. 5-6, 48, Ordering Paragraphs 1, 3, 6, August 2, 2018 Order at pp. 10, 20-22, 24-25. Those orders are prima facie evidence of the facts found and are binding. 66 Pa. C.S. § 316. Petitioners here are required to state all facts establishing the existence of the need for emergency relief. 52 Pa. Code § 3.6(b). Petitioners here allege no facts or arguments that the Commission has not already considered and

SPLP notes that it is not required to respond to each and every allegation of the Petition, but instead is required to "advise the parties and the Commission of the parties' position on the issues raised in the petition." Compare 52 Pa. Code § 5.61(e) (answers to Petitions) with 52 Pa. Code § 5.61(b)(3) (answers to Complaints, requiring the answer to "admit or deny specifically all material allegations of the complaint.").

rejected related to whether the adequacy of SPLP's Public Awareness program merits emergency relief, and thus there is no basis for emergency relief.

- 2. In the Dinniman Emergency Proceeding, both Senator Dinniman and the Clean Air Council alleged that SPLP's Public Awareness program, including public outreach, public awareness, and emergency response materials, were inadequate and a basis for enjoining ME1, ME2, and ME2X. E.g. State Senator Andrew Dinniman v. Sunoco Pipeline L.P., Docket Nos. P-2018-3001453 et al., June 14, 2018 Order at pp. 5-6 (explaining Count II of Petition alleged "Sunoco has failed to warn and protect the public from danger or reduce the hazards to the public by reasons of its equipment and facilities"), August 2, 2018 Order at pp. 20-21, ("Upon examination of Sunoco's outreach activities and materials, Senator Dinniman contends that it is entirely inadequate. . . . These alleged inadequacies are as follows: 1) Sunoco's informational brochure mailings every two years to the public contain no explanation or specifics on how to respond to an emergency and fail to identify the high risk of subsidence(s) in and around West Whiteland Township; 2) Sunoco's lack of responsiveness to the needs of local school districts, concerning the need for a comprehensive risk assessment required to establish adequate protocols for emergencies related to ME1, ME2, and ME2X. 3) Sunoco's inadequate outreach and training to emergency responders and public officials, referencing letters from Chester County Commissioners, as well as the West Whiteland Township Board of Supervisors."), p. 22 (describing CAC arguments that "Sunoco's SOPs fail to protect the public" and "Sunoco's communication of emergency response plans is inadequate").
- 3. As to ME1, the Commission flat-out rejected this argument, overturning the ALJ's injunction of ME1. State Senator Andrew Dinniman v. Sunoco Pipeline L.P., Docket Nos. P-2018-3001453 et al., June 14, 2018 Order at Ordering Paragraphs 1, 3. As to ME2, the Commission required SPLP to file information related to:

Comprehensive emergency response plan, including but not limited to:

- a. Communications and coordination necessary to report and respond to a release or ignition of highly volatile liquids from pipelines or appurtenances;
- b. Public educational materials and notification protocols intended to instruct how affected parties along the right-of-way should respond and how Sunoco Pipeline will notify the public in the event of a pipeline-related incident; and
- c. Specific procedures pertaining to coordination with state and local officials, local fire, police, the Pennsylvania Emergency Management Agency, the Pipeline Hazardous Materials Safety Administration, this Commission, and other utilities located in West Whiteland Township in responding to an incident.

Id. at p. 48, Ordering Paragraph 6.

4. SPLP made the required filing. The Commission reviewed it and found:

The documentary materials provided by Sunoco, on their face, indicate communication to the affected public and stakeholders concerning the Mariner East Pipeline projects. Therefore, we conclude Sunoco has established that it has complied with standard notice procedures of DEP and its internal policies and such procedures, as outlined, comply with the requirements of Ordering Paragraph No. 6.

State Senator Andrew Dinniman v. Sunoco Pipeline L.P., Docket Nos. P-2018-3001453 et al., August 2, 2018 Order at pp. 24-25. Thus, the Commission lifted injunction of ME2 and ME2X and would not have done so unless these emergency plans, public educational materials, procedures and documents were adequate. Importantly, the Commission rejected all of Senator Dinniman and the CAC's arguments that these documents were inadequate and merited injunction. *Id.* at p. 10 ("any issue or argument that we do not specifically address should be deemed to have been duly considered and rejected without further discussion"), p. 20-22 (describing Senator Dinniman and CAC's arguments).

- 5. The June 15, 2018 and August 2, 2018 Orders are *prima facie evidence* of the facts found and are binding. 66 Pa. C.S. § 316 ("Whenever the commission shall make any rule, regulation, finding, determination or order, the same shall be prima facie evidence of the facts found and shall remain conclusive upon all parties affected thereby, unless set aside, annulled or modified on judicial review.").
- 6. To obtain interim emergency relief, Petitioners are required, in their petition, to present "facts which establish 1 the existence of the need for interim emergency relief". 52 Pa. Code § 3.6(b). However, as to SPLP's Public Awareness program and materials, Petitioners have presented no facts that the Commission has not already rejected as a basis for granting interim emergency relief. Compare Petition at pp. 11-13 (alleging SPLP's public awareness mailing is inadequate because it allegedly does not provide specific information regarding how the public would be informed of a leak, how vulnerable population would become aware of a leak or proceed on foot, how to determine which way the wind is blowing, how to know when a safe area is reached, whether the public should call 911, whether it is safer to remain indoors than to evacuate; alleging school districts have alleged there is not enough information for public awareness and emergency response planning) with e.g. CAC July 2, 2018 Letter Response to SPLP June 22, 2018 Submission at 6-7 ("The guidance provided by Sunoco (rapid on-foot selfevacuation in the correct upwind or uphill direction) is simply not possible for many members of the public while they are in unsafe proximity to Mariner East in West Whiteland Township or elsewhere, particularly at night or during inclement weather. Expecting seniors, children, and disabled individuals to be able to quickly self-evacuate at a moment's notice is not credible, given obstacles, limited self-evacuation routes, and potential dark or inclement conditions. Moreover, the most routine everyday actions could trigger ignition of an entire vapor cloud: things which the federal government warns people to avoid are light switches; doorbells; garage door openers; and

vehicles."). The Petition does not meet its burden of alleging facts sufficient to show emergency relief is merited regarding SPLP's Public Awareness program and should be denied. The Petition is little more than a collateral attack on the Commission's prior orders regarding ME1 and ME2.

7. Moreover, in light of the Commission's June 15, 2018 and August 2, 2018 Orders, which held injunction of SPLP's pipelines is not merited based on SPLP's Public Awareness program, there can be no evidence that would overcome those binding findings. The evidence is the documents and steps SPLP has taken or will take to implement them. That evidence has not changed. An injunction of SPLP's pipelines cannot be granted on this basis.

B. The Commission has already decided that ME1 is safe and cannot be enjoined on an emergency basis.

8. Just a few months ago, the Commission decided that ME1 is safe and should not be enjoined on an emergency basis. June 15, 2018 Order at 34.

[I]n our view, the question presented by the Petition is whether Sunoco's continued operation of ME1 gives rise to an "emergency" as defined in our regulations. We are not persuaded that it does. While the record contains accounts of Sunoco's mishaps in other jurisdictions and other pipelines, there is no new, credible evidence to support a finding that the continued operation of ME1 poses a clear and present danger to life or property in West Whiteland Township. Moreover, considering that the purpose of emergency relief is to preserve the status quo pending the disposition of the underlying proceeding, we are not persuaded that Senator Dinniman has a clear legal right to the relief requested in the Petition regarding the continued operation of ME1.

Id. That order is prima facie evidence of the facts found and is binding. 66 Pa. C.S. § 316. Petitioners here are required to state all facts establishing the existence of the need for emergency relief. 52 Pa. Code § 3.6(b). Petitioners here allege no facts or arguments that the Commission has not already considered and rejected related to whether the safety of the ME1 pipeline merits emergency relief, and thus there is no basis for emergency relief.

- 9. In the Dinniman Emergency Proceeding, Senator Dinniman argued that ME1 is unsafe, *inter alia*, because it is too close to residences, does not meet depth of cover requirements, and has leaked in the past. *E.g.* June 15, 2018 Order at p. 29 (reciting Senator Dinniman allegation that past leaks make ME1 unsafe); May 31, 2018 Dinniman Brief in Support of Emergency Order at pp. 21-22 (arguing ME1 unsafe because it is within 50 feet of private dwelling despite being less than 48 inches underground).
- 10. The Commission rejected all of the arguments and overturned the injunction of the ME1 pipeline. June 15, 2018 Order at pp. 19 (noting "any issue we do not specifically address herein has been duly considered and will be denied without further discussion"), p. 34 (finding ME1 pipeline safe), Ordering Paragraphs 1-3 (lifting injunction of ME1 pipeline).
- 11. The June 15, 2018 Order is prima facie evidence of the facts found and is binding. 66 Pa. C.S. § 316 ("Whenever the commission shall make any rule, regulation, finding, determination or order, the same shall be prima facie evidence of the facts found and shall remain conclusive upon all parties affected thereby, unless set aside, annulled or modified on judicial review.").
- 12. To obtain interim emergency relief, Petitioners are required, in their petition, to present "facts which establishe[] the existence of the need for interim emergency relief". 52 Pa. Code § 3.6(b). However, as to the safety of the ME1 pipeline, Petitioners raise no new facts or arguments that the Commission has not already rejected. *Compare* Petition at pp. 17-18 (containing the only allegations regarding the safety of ME1, which are past leaks, distance from private dwellings, and depth of cover) with June 15, 2018 Order at pp. 19 (noting "any issue we do not specifically address herein has been duly considered and will be denied without further discussion", p. 34 (finding ME1 pipeline safe), Ordering Paragraphs 1-3 (lifting injunction of ME1 pipeline).

13. The Petition does not meet its burden of alleging facts sufficient to show emergency relief is merited regarding the safety of the ME1 pipeline and should be denied.

C. <u>Petitioner must prove all four elements to obtain the emergency relief</u> requested.

- 14. The standards that govern the issuance of interim emergency relief are set forth at 52 Pa. Code § 3.6. These mandatory elements include proof that:
 - (1) The Petitioner's right to relief is clear;
 - (2) The need for relief is immediate:
 - (3) The injury would be irreparable is relief is not granted; and
 - (4) The relief requested is not injurious to the public interest.
- 15. The Commission may grant interim emergency relief only when all of the four elements exist. *Glad Park East Home Owners Association* v. *Pa. PUC*, 628 A.2d 468,473 (Pa. Cmwlth. 1993). Complainants cannot prove any of these, let alone all of them.
- obtaining interim emergency relief. Even if Petitioners could meet their burden of proof (which they cannot), the relief requested should be issued subject to a bond sufficient to cover the extreme and significant revenues losses of SPLP, its customers, and other adversely affected members of the public should SPLP be wrongly enjoined. As SPLP will develop at hearing, there are very large adverse impacts upon Pennsylvania jobs and its economy, property owners who use any of these products for heat (such as propane) and significant economic loss invited by Complainants, who largely could be described as anti-pipeline or fossil fuel opponents that have mounted and lost similar challenges by final appellate decisions before environmental and

zoning forums. See, e.g., Flynn v. Sunoco Pipeline L.P. 2018 WL 1463443 (Pa. Cmwlth. 2018) (unreported), allocatur den'd, 192 A.3d 1107 (Pa. 2018).

D. The depth of cover of ME1, ME2, and the 12-inch pipeline are not in violation of any regulation.

- 17. The ME1 pipeline, the 12-inch pipeline and the ME2 and ME2X pipelines are at an appropriate depth, in compliance with applicable laws and regulations.
- 18. There is no additional risk of a catastrophic event and there is no additional risk of greater harm or damage from a catastrophic event because of the depth of the ME 1 pipeline or the 12-inch pipeline, which have existed and operated safely since the 1930s.
- 19. The regulatory provision cited in legal error by Complainants as evidence of alleged non-compliance that pipelines be at a certain depth if located within 50 feet of certain facilities does not apply to the MEl pipeline or the 12-inch pipeline because the subchapter applies to new construction; thus, the provision does not apply to the MEl pipeline or the 12-inch pipeline. 49 C.F.R. § 195.200.
- 20. Moreover, as discussed above, the Commission has already expressly rejected this argument as a basis for enjoining SPLP's pipelines. June 15, 2018 Order at pp. 10, 34.

E. The 12-inch pipeline is safe, as the Commission's Bureau of Investigation and Enforcement has acknowledged.

21. During the past two years, the Commission's Bureau of Investigation and Enforcement (BI&E) has inspected various Sunoco facilities more than 200 days. BI&E's engineers work on SPLP projects daily, if not tirelessly, conducting any one of 43 different types of inspections to ensure compliance with the federal and state codes. BI&E has 18 federally-certified engineers and works jointly with federal Pipeline and Hazardous Material Safety

Administration (PHMSA) in performing inspections of SPLP's facilities. November 1, 2018 Letter from P. Metro to School District Superintendents at 1, see copy attached as Attachment A.

- 22. BI&E reviews SPLP's Integrity Management Plan on a regular basis. Id. at 2.
- 23. BI&E has stated that SPLP has undertaken the following actions to ensure the 12-inch pipeline is safe:

Hydrostatic (non-flowing water) Testing:

Sunoco has performed two (2) hydrostatic pressure tests on the GRE 12 (Bypass Line) in consecutive years; October 2017 and September 2018. No leaks were discovered in either test. These tests have been reviewed and inspected by the PUC Pipeline Safety staff and PHMSA.

Additionally, the GRE 12 (Bypass Line) is currently holding pressure.

Hydrostatic testing is periodically used to assess the integrity of hazardous liquid and gas transmission pipelines. If a pipeline successfully passes a hydrostatic pressure test, it can be assumed that no hazardous defects are present in the tested pipe.

Integrity Management Plans

Sunoco's integrity management programs and plans for the affected pipeline facilities have been reviewed and inspected by the PUC Pipeline Safety staff and PHMSA. Integrity management requires operators to proactively anticipate hazards, evaluate risks and identify preventative and mitigative actions to manage operational changes that have the potential to increase the risk of failure or the increase in potential consequences of a failure.

PHMSA Flow Reversal Guidelines:

In addition, Sunoco has adhered to the Flow Reversal Guidelines established by PHMSA. PHMSA has issued an Advisory Bulletin to alert hazardous liquid andgas transmission pipeline operators of the impacts associated with flow reversals, product changes, and conversion to service. The Advisory, issued in conjunction with newly-published Agency Guidance on these issues, recommends that operators consult existing conversion of service requirements for flow reversals and product changes and undertake additional actions in order to ensure integrity and safety.

While acknowledging in the associated Guidance that the Agency's recommended practices are not required, PHMSA nevertheless makes a number of suggestions, including that operators consider pressure testing the entire pipeline prior to flow reversals on gas and liquid pipelines and prior to significant product changes on liquid lines.

In order to address the Flow Reversal Guidance, the PUC Pipeline Safety Staff has reviewed and inspected the following to ensure Sunoco was able to demonstrate voluntary compliance:

- a) impacts to O&M,
- b) emergency plans,
- c) operator qualification training,
- d) emergency responder training,
- e) public awareness,
- f) spill response,
- g) maps and records.

Id. at 2-3 (emphasis added).

F. SPLP has taken reasonable steps to warn and protect the public from danger.

- 24. As discussed above, the Commission has already found SPLP's Public Awareness program does not merit injunction of SPLP's pipelines. *Supra* Section A.
- 25. For the ME2 and ME2X pipelines, SPLP is not required to develop a written Pipeline Integrity Management Plan until one year after each begins operation. 49 C.F.R. § 195 .452(b).
- 26. SPLP has prepared and implemented a Pipeline Integrity Management Plan applicable to the ME 1 pipeline and the 12-inch pipeline.
- 27. In September of 2018, SPLP sent more than 64,000 Public Awareness Program safety brochures for the Natural Gas Liquids (NGL) pipelines operated by it in Pennsylvania, including ME1, ME2, ME2X, and the GRE portion of the Point Breeze to Montello pipeline. The pipeline safety messages were distributed to approximately 40,000 members (40,046) of the

Affected Public, which includes all residents, schools, businesses, etc. near the pipeline. More than 120 school officials (125) were included and sent pipeline safety information. SPLP utilized a buffer of 1,000' on either side of an NGL pipeline, which is more than 50% greater than the baseline buffer identified in the American Petroleum Institute Recommended Practice 1162, Public Awareness Programs for Pipeline Operators. These stakeholders in Pennsylvania were also sent safety messages by SPLP as part of the September 2018 mailing:

- 16,338 Excavation and excavation-related companies within a 15 mile total area near NGL pipelines (seven and a half-mile buffer on each side of the pipeline).
- 3,301 Emergency organizations in the counties where NGL pipelines are located, plus those within a ten-mile buffer from the NGL pipelines.
- 4,348 Public Officials within the counties where NGL pipelines are located, plus a ten-mile buffer from the NGL pipelines.
- 28. The Commission's Pipeline Safety Section has conducted inspections of SPLP's public awareness program for ME1, including most recently in November 2016, and has not identified any deficiencies.
- 29. The Commission's Pipeline Safety Section has spent 200 days inspecting the Mariner East project over the past two years, including throughout construction of the ME2 pipeline and the upgrade of the 12-inch pipeline.
- 30. SPLP has conducted integrity assessments of the ME1 pipeline and 12-inch pipeline to ensure that it can provide safe services. It can.
 - G. Allegations concerning other pipelines many of which are in other states or locations are irrelevant and cannot raise a substantial question or otherwise show emergency relief is merited
- 31. The listing of various pipeline incidents that do not even involve SPLP's pipelines is irrelevant and cannot form the basis for emergency relief. *See* Petition at Paragraphs 49-51.

32. The Commission has already rejected allegations regarding SPLP pipelines not at issue in the Dinniman proceeding could not form the basis for emergency relief in that proceeding. June 15, 2018 Order at 35, 39 (noting and rejecting basis for ALJ finding of immediacy based on SPLP alleged violation of regulations in the state of Texas).

H. Allegations concerning County response agencies proposed actions are not within the control of SPLP, not within the jurisdiction of the Commission, are irrelevant, and cannot show emergency relief is merited

- 33. SPLP has provided local and county emergency responders with sufficient information and training to develop adequate emergency response procedures.
- 34. SPLP does not control local or county emergency response agencies' response procedures.
- 35. The Commission does not have jurisdiction over local or county emergency response agencies' response procedures.

I. Vague and unsupported allegations regarding past leaks are irrelevant and cannot show emergency relief is merited

- 36. The accusation that SPLP's pipelines may have leaked in the past is not a basis for emergency relief. SPLP's pipelines are safe and meet or exceed federal safety regulations.
- 37. Moreover, as discussed above, the Commission has already rejected assertions of past leaks as a basis for enjoining SPLP's pipelines. *Supra* Paragraphs 9-12.

J. Granting Petitioner's interim emergency relief will be injurious to SPLP and to the public interest

38. SPLP, union employees, and the general public has and will suffer significant financial losses for any day that the ME1 pipeline or ME2/12-inch pipeline is shut down due to an injunction issued without merit. It is standard practice by tribunals, particularly in our court system, to require the filing of a bond to consider the harm occasioned to a party ultimately

wrongfully enjoined and those other stakeholder members of the public who for instance could be out of employment during the holidays, unable to collect royalties, loss of sales and services, and a potential adverse effect on prices for propane during the heating season which many Pennsylvanians rely to heat their homes and businesses. In short, the Complainants should and must be held financially accountable for damages should their petition wrongfully result in an injunction. Otherwise, improvidently sought injunctions can be sought without ramification should the court or tribunal ultimately determine there should not have been an emergency injunction.

- 39. Shippers of product delivered through the MEI pipeline will suffer significant financial losses for every day that these pipelines are shut down, as will landowners from which the commodities derive.
- 40. The labor force operating these pipelines will suffer significant lost wages from a shutdown.
- 41. All of these direct economic circumstances are multiplied by the additional losses to Pennsylvania's economy in the form of lost taxes, lost spending and the loss of other indirect expenditures.

K. The Petition for Interim Emergency Relief was not properly supported by verified facts.

- 42. A petition for interim emergency relief is required to be supported by verified facts.
- 43. The requirement for proper verified facts is particularly important when a public utility is required to defend against a petition for emergency relief at a hearing to be scheduled within ten days. Otherwise, the public utility is not given fair notice of the facts alleged and the persons who will be called at the hearing to prove these facts.

44. Petitioners' Petition for Interim Emergency relief is not supported by any affidavits from persons competent to verify the facts alleged. Rather, the facts in the petition are merely verified by one-page form verifications from each of the seven petitioners, none of whom is competent to verify the vast majority of the facts alleged.

WHEREFORE, Respondent Sunoco Pipeline L.P. respectfully requests that Petitioner's Amended Petition for Interim Emergency Relief be denied.

Respectfully submitted,

Thomas J. Sniscak, Esq. (PA ID No. 33891)

Kevin J. McKeon, Esq. (PA ID No. 30428)

Whitney E. Snyder, Esq. (PA ID No. 316625)

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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

/s/ Robert D. Fox

Robert D. Fox, Esq. (PA ID No. 44322)

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Dated: November 27, 2018 Attorneys for Respondent Sunoco Pipeline L.P.

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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Attachment A Superintendent Letter



COMMONWEALTH OF PENNSYLVANIA PENNSYLVANIA PUBLIC UTILITY COMMISSION 400 NORTH STREET, HARRISBURG, PA 17120

IN REPLY PLEASE REFER TO OUR FILE

November 1, 2018

Dr. Emilie M. Lonardi, Superintendent Downingtown Area School District 540 Trestle Place Downingtown, Pennsylvania 19335

Dr. Eleanor DiMarino-Linnen, Acting Superintendent Rose Tree Media School District 308 North Olive Street Media, Pennsylvania 19063

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PA PUBLIC UTILITY COMMISSION SECRETARY'S BUREAU

Dr. James R. Scanlon, Superintendent West Chester Area School District 829 Paoli Pike West Chester, Pennsylvania 19380

> RE: Mariner 2 Pipeline Project

> > Joint Letter dated October 23, 2018 to Paul Metro

Dear Drs. Lonardi, DiMarino-Linnen, and Scanlon:

Thank you for your joint letter dated October 23, 2018 on behalf of the school districts you represent regarding the Sunoco Pipeline projects located in Chester and Delaware Counties. I am aware that you also faxed the letter to Chairman Gladys Brown of the Commission.

The Pennsylvania Public Utility Commission's (PUC) Bureau of Investigation and Enforcement (I&E) is responsible for pipeline and electric safety throughout the Commonwealth. I&E is an independent arm of the Commission and does not speak on behalf of the Commission. We have 23 engineers stationed across the Commonwealth inspecting jurisdictional facilities daily. Our Pipeline Safety Section employs 18 federally certified engineers. Our Pipeline Safety Program works jointly with the federal Pipeline and Hazardous Material Safety Administration (PHMSA) in performing inspections on the Sunoco projects. The PUC's safety responsibilities are the highest priority for the Commission.

During the last two (2) years, our safety staff has inspected various Sunoco facilities more than 200 hundred days. Our engineers work on Sunoco projects daily conducting any one of 43 different types of inspections to ensure compliance with the federal and state codes.

Within your letter you request answers to three (3) questions. The answers to the questions are as follows:

1. What is the risk for unprotected valve stations, currently many of these valve stations have temporary fencing without adequate protection from possible accident?

Answer:

The risks identified to these stations are included within the Integrity Management Plan maintained by Sunoco and reviewed and inspected by the PUC Pipeline Safety Section and PHMSA on a regular basis. There are eight (8) valve stations located in the GRE 12 Section (bypass) in Chester County. All valve stations except for one (1) are protected by a permanent fence that is secured. One (1) valve station is currently being constructed and has temporary fencing until construction is complete. The valves are locked and secured at this station during construction and meet all federal standards. Additionally, Sunoco will install rectangular concrete blocks at the Dorlan Mill Road station.

2. Is it safe to run natural gas liquid through this 12-inch pipe?

Answer:

The responsibility of the PUC Pipeline Safety Section and PHMSA is to monitor and enforce compliance to the state and federal regulations. It is Sunoco's responsibility is to operate and maintain their pipeline facilities in a safe manner through practices and procedures that are in compliance with state and federal regulations.

Examples of actions undertaken by Sunoco to ensure that the referenced pipeline is safe include:

Hydrostatic (non-flowing water) Testing:

Sunoco has performed two (2) hydrostatic pressure tests on the GRE 12 (Bypass Line) in consecutive years; October 2017 and September 2018. No leaks were discovered in either test. These tests have been reviewed and inspected by the PUC Pipeline Safety staff and PHMSA.

Additionally, the GRE 12 (Bypass Line) is currently holding pressure.

Hydrostatic testing is periodically used to assess the integrity of hazardous liquid and gas transmission pipelines. If a pipeline successfully passes a hydrostatic pressure test, it can be assumed that no hazardous defects are present in the tested pipe.

Integrity Management Plans

Sunoco's integrity management programs and plans for the affected pipeline facilities have been reviewed and inspected by the PUC Pipeline Safety staff and PHMSA. Integrity management requires operators to proactively anticipate hazards, evaluate risks and identify preventative and mitigative actions to manage operational changes that have the potential to increase the risk of failure or the increase in potential consequences of a failure.

PHMSA Flow Reversal Guidelines:

In addition, Sunoco has adhered to the Flow Reversal Guidelines established by PHMSA. PHMSA has issued an Advisory Bulletin to alert hazardous liquid and gas transmission pipeline operators of the impacts associated with flow reversals, product changes, and conversions to service. The Advisory, issued in conjunction with newly-published Agency Guidance on these issues, recommends that operators consult existing conversion of service requirements for flow reversals and product changes and undertake additional actions in order to ensure integrity and safety.

While acknowledging in the associated Guidance that the Agency's recommended practices are not required, PHMSA nevertheless makes a number of suggestions, including that operators consider pressure testing the entire pipeline prior to flow reversals on gas and liquid pipelines and prior to significant product changes on liquid lines.

In order to address the Flow Reversal Guidance, the PUC Pipeline Safety Staff has reviewed and inspected the following to ensure Sunoco was able to demonstrate voluntary compliance:

- a) impacts to O&M,
- b) emergency plans,
- c) operator qualification training,
- d) emergency responder training,
- e) public awareness,
- f) spill response,
- g) maps and records.
- 3. Does this old 12-inch pipe contain shut off valves for emergency shut off in the event of a breach?

Answer:

Yes. Sunoco/ETP has a total of eight (8) valve locations on the 24.5 miles of GRE 12 reversal section. Six (6) of these valve locations contain Emergency Flow Restricting Devices ("EFRD") and two are manual valves. All manual valves are within the locked fencing and are secured by an additional lock on the valve itself to prevent unauthorized or accidental operation.

The PUC Pipeline Safety staff and PHMSA have held lengthy discussions with Sunoco about valve placement and locations for the EFRD automated valves on the 24.5-mile section of the GRE line.

As a result of PUC Pipeline Safety staff concerns and discussions, Sunoco has presented a change to the EFRD locations. Sunoco reduced the distance between the EFRDs. Sunoco changed a planned manual operated valve to an EFRD and thus reduced the distance between automated valves. Sunoco also changed the EFRD location at the southern point of the GRE section.

The PUC Pipeline Safety Division has reviewed the valve locations and has identified the valve locations and spacing within the school districts. PUC Pipeline Safety also reviewed the distance between the valves and has verified installed fencing, and plans to install fencing, at each of these locations.

Finally, I strongly urge that the above-mentioned schools actively partner with the County Emergency Manager to ensure that your "all hazards" plan and evacuation plans are up to date and incorporate all pipeline hazards. I would offer to meet with you to discuss the Sunoco projects and facilities and answer any other questions regarding pipeline safety that you may have.

Thank you again for your interest in these issues.

Sincerely,

Paul J. Metro

Manager, Safety Division

Investigation and Enforcement Bureau Pennsylvania Public Utility Commission

CC: Gladys Brown, Pennsylvania Public Utility Commission Chairman Richard A. Kanaskie, PUC Chief Prosecutor Michael Swindler, Deputy Chief Prosecutor of Enforcement Robert Horensky, Supervisor Pipeline Safety Section

VERIFICATION

I, Joe Perez, Vice President – Technical Services, at Energy Transfer Partners, am authorized to make this Verification on behalf of Sunoco Pipeline L.P., and I do hereby verify that the statements contained in the foregoing document are true and correct to the best of my knowledge, information and belief. I understand that false statements therein are made subject to the penalties of 18 Pa. C.S. § 4904, relating to unsworn falsification to authorities.

Joe Perez

Vice President - Technical Services

Energy Transfer Partners

DATED: November 27, 2018

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the forgoing document upon the parties, listed below, in accordance with the requirements of § 1.54 (relating to service by a party). This document has been filed electronically on the Commission's electronic filing system and served via overnight mail on the following:

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Michael S. Bomstein, Esquire Pinnola & Bomstein Suite 2126 Land Title Building 100 South Broad Street Philadelphia, PA 19110 mbomstein@gmail.com

Counsel for Complainants

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, ,

Thomas J. Sniscak, Esq. Kevin J. McKeon, Esq.

Whitney E. Snyder, Esq.

Dated: November 27, 2018

ORIGIN ID:MDTA (717) 238-13 THOMAS J. SNISCAK HAWKE MCKEON & SNISCAK LLP 100 N. TENTH STREET 2ND FLOOR HARRISBURG, PA 17101 UNITED STATES US

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