

COMMONWEALTH OF PENNSYLVANIA PENNSYLVANIA PUBLIC UTILITY COMMISSION COMMONWEALTH KEYSTONE BUILDING 400 NORTH STREET. HARRISBURG. PA 17120

BUREAU OF INVESTIGATION & ENFORCEMENT

July 8, 2021

Via Electronic Filing

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

Re: Pennsylvania Public Utility Commission,

Bureau of Investigation & Enforcement v.

Sunoco Pipeline, L.P. a/k/a Energy Transfer Partners

Docket No. C-2018-3006534

Public Summary of Remaining Life Study

Dear Secretary Chiavetta:

Pursuant to Ordering Paragraph 2 of the Pennsylvania Public Utility Commission's ("Commission") Opinion and Order entered on August 19, 2020 in the above-referenced matter, enclosed please find the public summary of the Remaining Life Study related to the Mariner East 1 pipeline.

Copies have been served on the parties of record in accordance with the Certificate of Service.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

Stephanie M. Wimer Senior Prosecutor

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Enclosure

cc: Honorable Elizabeth H. Barnes, OALJ-Harrisburg (via e-mail only)
Michael L. Swindler, Deputy Chief Prosecutor (via e-mail only)

As per Certificate of Service



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Mariner East 1 Remaining Life Study

Energy Transfer/Sunoco Pipeline

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1 INTRODUCTION

- Following the finalization of its settlement agreement with the Pennsylvania Public Utility Commission's (PAPUC) Bureau of Investigation and Enforcement (BI&E), Energy Transfer/Sunoco Pipeline, L.P. (SPLP) requested DNV GL USA, Inc. (DNV) serve as an independent expert in a review of the Mariner East 1 (ME1) pipeline segment.
- As the independent expert, DNV conducted a Remaining Life Study consisting of a remaining life evaluation of the Mariner East 1 (ME1) pipeline for the threat of corrosion, calculations supporting the remaining life evaluation, and is forward-looking
- in manner and intended to assess the longevity of ME1 related to corrosion. Line pipe in crude oil, refined products, NGL,
- and natural gas service does not have a defined life expectancy. When properly maintained, steel line pipe can operate for
 - an indefinite period of time. The remaining lives described herein refer to the calculated time for ILI reported anomalies to
- 16 reach specific criteria.
- 17 The following is a summary of the Mariner East 1 Remaining Life Study performed by DNV.

2 OPERATION HISTORY

2.1 Pipeline Configuration

- 20 SPLP reconfigured several legacy Sunoco Logistics (SXL) line segments for the transportation of Natural Gas Liquids (NGL)
- 21 from Delmont to the Twin Oaks station. This involved a change in product from refined products to NGLs, an increase in
- 22 maximum operating pressure, and a reversal of flow direction.

2.2 Cathodic Protection History

- 24 The ME1 pipeline utilizes impressed current cathodic protection (CP) systems incorporating conventional anode beds, deep
- well anodes, and linear anodes. In addition, certain sections of abandoned pipe are utilized as sacrificial anodes.
- As-built records provided by SPLP show the first CP system was installed in 1949.

2.3 Coating History

- 28 A variety of external coatings are in use on the ME1 pipeline. The predominate coating types are Coal Tar Enamel, Pritec
- 29 two-layer polyethylene, and Fusion Bond Epoxy (FBE). A review of records provided by SPLP shows each coating type
- 30 corresponding to various vintages, wall thickness, and grades of line pipe which is indicative of pipe coating application at the
- 31 time of construction: the transition from Coal Tar (1930s) to Pritec (1970s) and ultimately to FBE (2000s). Pipe reconditioning
- 32 projects have occurred periodically over the life of the pipeline.

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¹ The ME1 system is comprised of segments previously owned and operated by Arco Pipe Line Company, Atlantic Pipe Line Company, and Sun Pipe Line Company.



2.4 Leak History

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- Leak history for the ME1 system was compiled from publicly available PHMSA records and documentation provided by SPLP.

 Only leaks from line pipe were considered as part of this remaining life study.
- 37 In general, the number of small releases is consistent with vintage pipe operated before the widespread use of cathodic
- 38 protection and in-line inspection (ILI) and consistent with pipeline industry experience. The frequency and volume of releases
- 39 on ME1 drops significantly beginning in the mid-1960s which corresponds with the widespread installation of cathodic
- 40 protection and completion of pipe reconditioning work. Initial ILI assessments to address the threat of external corrosion within
- 41 the legacy assets were conducted in the early 1970s with re-assessments generally occurring in the early 1990s. The number
- 42 of third party damage incidents decreases in the late 1970s corresponding to the implementation of the state-wide one call
- 43 system in 1977. Leak trend data also shows a reduction in leak frequency again in the 2000s following PHMSA's final
- 44 rulemaking for Integrity Management in High Consequence Areas.

3 CORROSION GROWTH RATE AND REMAINING LIFE ANALYSIS

- 46 DNV established corrosion growth rates (CGRs) on a per joint basis for each of the five pipeline segments in the ME1 pipeline
 - system using its proprietary CGReal methodology. Remaining lives were calculated based on the time required (corrosion
- 48 growth rate plus ILI bias adjusted anomaly depth) for an anomaly to meet 49 C.F.R Part 195.452 criteria for an immediate
- 49 repair condition.

4 REMEDIATION PLAN

- Line pipe in crude oil, refined products, NGL, and natural gas service does not have a defined life expectancy. When properly
- 52 maintained, steel line pipe can operate for an indefinite period of time. Pipe may be replaced or retired based on operational
- 53 needs such as an increase in operating pressure or due to degradation beyond design operating limits by time dependent
- 54 mechanisms such as corrosion. Pipe may also be replaced to accommodate changes in land use such as relocations for
- 55 roadways or development.
- 56 Pipeline anomalies such as metal loss or dents, when identified through integrity assessments, may also be monitored for
- 57 changes in condition during future assessments and addressed through preventive measures such as cathodic protection,
- 58 internal corrosion inhibitor injection, or pressure cycle management. The identification of anomalies and determination of
- 59 remaining life can best be described as a snapshot in time and predictive of future state if conditions remain un-mitigated.
- Using the results of the corrosion growth and remaining life analyses, DNV identified two specific pipe joints within two pipe
- 61 segments for preventive measures, monitoring during subsequent integrity assessments, or consideration in a potential
- 62 remediation (repair or replacement) schedule. For each of the five pipeline segments, DNV identified three 100-ft sections for
- 63 which, if subject to preventive measures, additional assessment, or remediation, will have the most significant impact on the
- 64 remaining life of each segment.

5 RETIREMENT SUMMARY

- 66 SPLP reports that various pipe replacement programs were executed in the 1970's, 1980's and early 1990's following ILI
- 67 surveys. Additionally, and as part of the Mariner East project, SPLP conducted assessments of the pipeline prior to the change
- 68 in product. SPLP also performed hydrostatic pressure tests, inclusive of spike tests, as part of the conversion process for the
- 69 Mariner East project. Line pipe replacements were included in SPLP's repair plan prior to the change in product, which was
- 70 executed in 2013 and 2014.

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6 THREAT AND RISK MITIGATION OVERVIEW

DNV reviewed key parts of the most recent risk analysis performed by SPLP of the ME1 pipeline for the purpose of understanding the threats identified by SPLP for the ME1 pipeline and to confirm that the risk assessment meets minimum regulatory requirements as specified in 49 C.F.R Part 195. DNV concluded that SPLP's risk assessment includes the threats and risk factors contained in regulatory guidance.

DNV also reviewed the preventative and mitigative measures identified and implemented by SPLP for the ME1 pipeline within the last 10 years for the identified threats. Mitigative measures to address the potential consequence of a release were also reviewed. SPLP employs Public Awareness; Monitoring, Safety & Security; Leak Detection; and Corrosion Control programs as preventive and mitigative measures for risks identified on the ME1 pipeline system as presented in DNV's Remaining Life Study.

7 DEGRADATION THREAT OVERVIEW AND PIPELINE LIFE MANAGEMENT FOR THE PIPELINE INDUSTRY

Line pipe in crude oil, refined products, NGL, and natural gas service does not have a defined life expectancy. When properly maintained, steel line pipe can operate for an indefinite period of time. Pipeline features such as metal loss anomalies, dents, and ovalities may be introduced to pipelines during original construction or during the course of operations. To manage the degradation threats to pipeline assets, pipeline operators employ a variety of measures such as post-construction acceptance testing, periodic integrity assessments, and pipeline repairs, and preventive and mitigative measures such as one-call participation and right-of-way monitoring.

Various strategies used by pipeline operators to manage pipeline threats in support of an unbounded asset life expectancy are presented and discussed in DNV's Remaining Life Study.

Prepared by:	Verified by:	Approved by:
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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission, : Bureau of Investigation and Enforcement, :

Complainant,

:

v. : Docket No. C-2018-3006534

:

Sunoco Pipeline, L.P. a/k/a :

Energy Transfer Partners, :

Respondent :

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

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Dated: July 8, 2021