

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

<p>In the Matter of</p> <p>Sunoco Pipeline LP, a subsidiary of Energy Transfer, LP,</p> <p>Respondent.</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>CPF No. 4-2025-054-NOPSO</p>
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CONSENT AGREEMENT

On January 31, 2025, pursuant to Chapter 601 of title 49, United States Code, the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), initiated an investigation of Sunoco Pipeline, LP’s (Sunoco or Respondent)¹ Twin Oaks Discharge Pipeline system (Twin Oaks Pipeline or Pipeline) in Upper Makefield Township, Bucks County, Pennsylvania. The Twin Oaks Pipeline is a 14-inch diameter pipeline that transports petroleum products, including jet fuel, diesel, and gasoline, from the Twin Oaks Terminal in Aston, Pennsylvania, to the Newark Terminal in Newark, New Jersey.

As a result of the investigation, the Director, Southwest Region, OPS (Director), issued to Respondent, by letter dated February 13, 2025, a Notice of Proposed Safety Order (Notice). In accordance with 49 CFR § 190.239, the Notice alleged that conditions exist on Respondent’s pipeline system that pose a pipeline integrity risk to public safety, property, or the environment. The Notice also proposed that Sunoco take certain corrective measures to remedy the alleged conditions and ensure that the public, property, and the environment are protected from the alleged integrity risk.

On February 19, 2025, Sunoco responded to the Notice by submitting a written response and request for an informal consultation under 49 CFR § 190.239(b)(2). The first informal consultation was held on March 5, 2025. As a result of the informal consultation, PHMSA and Respondent (the Parties) agree that settlement of this proceeding by entry into this Consent Agreement (Agreement) is the most appropriate means of resolving the issues raised in the Notice, will avoid further administrative proceedings or litigation, and is in the public interest. Therefore, pursuant to 49 CFR §§ 190.219 and 190.239(b)(2), without adjudication of any issue of law or fact, and upon consent and agreement, the Parties agree to the following terms and conditions.

¹ Sunoco is a subsidiary of Energy Transfer, LP.

I. General Provisions

1. Respondent acknowledges that as the operator of the pipeline facilities subject to the Notice, Respondent and its referenced pipeline facilities are subject to the jurisdiction of the Federal pipeline safety laws, 49 U.S.C. § 60101, *et seq.*, and the regulations and administrative orders issued thereunder. For purposes of this Agreement, Respondent acknowledges that it received proper notice of PHMSA's action in this proceeding and that the Notice states claims upon which relief may be granted pursuant to 49 U.S.C. § 60101, *et seq.*, and the regulations and orders issued thereunder.

2. Respondent agrees, for purposes of this Agreement, to address integrity risk on the Twin Oaks Pipeline by completing the actions specified in Section II of this Agreement (Corrective Measures) and to abide by the terms of this Agreement.

3. After Respondent returns this signed Agreement to PHMSA, the Agency's representative will present it to the Associate Administrator for Pipeline Safety, recommending that the Associate Administrator adopt the terms of this Agreement by issuing an administrative order (Consent Order) incorporating the terms of this Agreement. The terms of this Agreement constitute an offer of settlement until accepted by the Associate Administrator. Once accepted, the Associate Administrator will issue a Consent Order incorporating the terms of this Agreement.

4. Respondent consents to the issuance of the Consent Order, and hereby waives any further procedural requirements with respect to its issuance. Respondent waives all rights to contest the adequacy of notice, or the validity of the Consent Order or this Agreement, including all rights to administrative or judicial hearings or appeals, except for the Dispute Resolution provisions set forth herein.

5. This Agreement shall apply to and be binding upon PHMSA and Respondent, its officers, directors, and employees, and its successors and assigns, or other entities or persons otherwise bound by law. Respondent agrees to provide a copy of this Agreement and any incorporated work plans and schedules to all of Respondent's officers, employees, and agents whose duties might reasonably include compliance with this Agreement.

6. For all transfers of ownership or operating responsibility of Respondent's pipeline system referenced herein, Respondent will provide a copy of this Agreement to the prospective transferee at least 30 days prior to such transfer. Respondent will provide written notice of the transfer to the Director no later than 60 days after the transfer occurs.

7. This Agreement constitutes the final, complete and exclusive agreement and understanding between the Parties with respect to the settlement embodied in this Agreement. The Parties acknowledge that there are no representations, agreements or understandings relating to settlement other than those expressly contained in this Agreement.

8. Nothing in this Agreement affects or relieves Respondent of its responsibility to comply with all applicable requirements of the Federal pipeline safety laws, 49 U.S.C. § 60101,

et seq., and the regulations and orders issued thereunder. Nothing in this Agreement alters PHMSA's right of access, entry, inspection, and information gathering or PHMSA's authority to bring enforcement actions against Respondent pursuant to the Federal pipeline safety laws, the regulations and orders issued thereunder, or any other provision of Federal law.

9. This Agreement does not waive or modify any Federal, State, or local laws or regulations that are applicable to Respondent's Twin Oaks pipeline. This Agreement is not a permit, or a modification of any permit, under any Federal, State, or local laws or regulations. Respondent remains responsible for achieving and maintaining compliance with all applicable Federal, State, and local laws, regulations and permits.

10. This Agreement does not create rights in, or grant any cause of action to, any third party not a party to this Agreement. The U.S. Department of Transportation is not liable for any injuries or damages to persons or property arising from acts or omissions of Respondent or its officers, employees, or agents carrying out the work required by this Agreement. The U.S. Department of Transportation, its officers, employees, agents, and representatives shall not be liable for any cause of action arising from any acts or omissions of Respondent or its contractors in carrying out any work required by this Agreement.

11. This Agreement does not constitute a finding of violation of any Federal law or regulation and may not be used in any civil or administrative proceeding of any kind as evidence or proof of any fact, fault, or liability, or as evidence of the violation of any law, rule, regulation, or requirement, except in a proceeding to enforce the provisions of this Agreement.

II. Corrective Measures:

For the purposes of this Agreement:

"Affected Pipeline" refers to the entire Twin Oaks Pipeline, which is approximately 105.5 miles in length from the Twin Oaks Terminal in Aston, Pennsylvania, to the Newark Terminal in Newark, New Jersey.

"Failure" refers to the failure of the *Affected Pipeline* in Upper Makefield Township, Bucks County, Pennsylvania, discovered on January 31, 2025.

12. Upon issuance of the Consent Order, Respondent agrees to perform the Corrective Measures set forth below.

13. **Operating Pressure Restriction.** Sunoco must implement and maintain a twenty percent (20%) pressure reduction in the highest actual operating pressure along the entire length of the *Affected Pipeline*, such that the operating pressure does not exceed eighty percent (80%) of the highest actual operating pressure in effect within the 60-days prior to the discovery of the Failure on January 31, 2025. Specifically, the pressure may not exceed the currently restricted pressure of 880 pounds per square inch (psi).

- a. This pressure restriction is to remain in effect until written approval to increase the pressure or return the pipeline to its pre-Failure operating pressure is obtained from the

Director.

- b. Within 15 days of receipt of the Consent Order, Sunoco must provide the Director the actual operating pressures of each pump station and each main line pressure regulating station on the *Affected Pipeline* at the time of the Failure discovered on January 31, 2025, and the reduced pressure restriction set points at these same locations.
- c. This pressure restriction requires any relevant remote or local alarm limits, software programming set-points or control points, and mechanical over-pressure devices to be adjusted accordingly.
- d. When determining the pressure restriction set-points, Sunoco must consider any in-line inspection (ILI) features or anomalies present in the *Affected Pipeline* to provide for continued safe operation while further corrective actions are completed.
- e. Sunoco must review the pressure restriction monthly by analyzing the operating pressure data, considering any ILI features or anomalies present in the *Affected Pipeline*. Sunoco must immediately reduce the operating pressure to maintain the safe operations of the *Affected Pipeline*, if warranted by the monthly review. Further, Sunoco must submit the results of the monthly review to the Director including, at a minimum, the current discharge set-points (including any additional pressure reductions), and any pressure exceedance at discharge set-points.

14. **Type A Sleeve Integrity Plan.** Within 90 days of receipt of the Consent Order, Sunoco must provide to the Director for approval a plan to evaluate the integrity of each Type A sleeve on the *Affected Pipeline*. For each Type A sleeve, this must include the most accurate information available regarding, at a minimum, the year of installation, a summary of the basis for the original application (i.e., remediated condition), and identification of any scheduled follow-up actions. The plan must also provide for the removal of each Type A sleeve on the *Affected Pipeline* whose integrity cannot be reasonably assured. The plan must be part of the Remedial Work Plan developed in Item 15 below. For any sleeve not removed, the plan must provide a technical justification for the Type A Sleeve remaining on the *Affected Pipeline* and describe the additional pipeline integrity management measures to be implemented to ensure the safety and integrity of the *Affected Pipeline* in light of any integrity risk related to the sleeve.

15. **Remedial Work Plan (RWP).** Within 90 days of receipt of the Consent Order, Sunoco must submit a Remedial Work Plan (RWP) to the Director for prior approval. The initial RWP will be updated as needed to incorporate new and relevant information obtained during the failure investigation and remedial activities undertaken pursuant to the Consent Order, and/or to incorporate reasonable and technically supported modifications required by the Director. Sunoco will submit any plan revisions to the Director for approval.

- a. The Director may approve the RWP incrementally without approving the entire RWP.
- b. Upon approval by the Director, the RWP becomes incorporated by reference into the Consent Order.
- c. Sunoco will implement the RWP as it is approved by the Director, including any revisions to the plan.
- d. The RWP must specify the tests, inspections, assessments, evaluations, and remedial

measures Respondent will use to verify the integrity of the *Affected Pipeline*. It must address all known or suspected factors and causes of the Failure discovered on January 31, 2025. Sunoco must consider the risks and consequences of another failure to develop a prioritized schedule for RWP-related work along the *Affected Pipeline*.

- e. The RWP must include a procedure or process to:
- i. Identify pipe in the *Affected Pipeline* with characteristics similar to the contributing factors identified for the Failure discovered on January 31, 2025.
 - ii. Gather all data necessary to review the failure history (in service and pressure test failures) of the *Affected Pipeline* and to prepare a written report containing all the available information such as the locations, dates, and causes of leaks and failures.
 - iii. Integrate the results of the metallurgical testing, root cause failure analysis, and other corrective actions required by the Consent Order with all relevant pre-existing operational and assessment data for the *Affected Pipeline*. Pre-existing operational data includes, but is not limited to, design, construction, operations, maintenance, testing, repairs, prior metallurgical analyses, and any third-party consultation information. Pre-existing assessment data includes, but is not limited to, ILI tool runs, hydrostatic pressure testing, direct assessments, close interval surveys, and DCVG/ACVG surveys.
 - iv. Determine if conditions similar to those contributing to the Failure discovered on January 31, 2025, are likely to exist elsewhere on the *Affected Pipeline*.
 - v. Conduct additional field tests, inspections, assessments, and evaluations to determine whether, and to what extent, the conditions associated with the Failure discovered on January 31, 2025, and other failures from the failure history (see (e)(ii) above) on the *Affected Pipeline*. At a minimum, this process must consider all failure causes and specify the use of one or more of the following:
 - 1) ILI tools that are technically appropriate for assessing the pipeline system based on the cause of the Failure discovered on January 31, 2025, and that can reliably detect and identify anomalies,
 - 2) Hydrostatic pressure testing,
 - 3) Stress corrosion cracking surveys; and
 - 4) Other tests, inspections, assessments, and evaluations appropriate for the failure causes.

Note: Sunoco may use the results of previous tests, inspections, assessments, and evaluations if approved by the Director, provided the results of the tests, inspections, assessments, and evaluations are analyzed with regard to the factors known or suspected to have caused the Failure discovered on January 31, 2025.

- vi. Describe the inspection and repair criteria Sunoco will use to prioritize, excavate, evaluate, and repair anomalies, imperfections, and other identified integrity threats. Include a description of how any defects will be graded and a schedule for repairs or replacement.

- vii. Based on the known history and condition of the *Affected Pipeline*, describe the methods Sunoco will use to repair, replace, or take other corrective measures to remediate the conditions associated with the pipeline Failure discovered on January 31, 2025, and to address other known integrity threats along the *Affected Pipeline*. The repair, replacement, or other corrective measures must meet the criteria specified in (e)(vi) above.
- f. Include a proposed schedule for completion of the RWP.

16. **Failure History Evaluation.** Within 120 days of receipt of the Consent Order, Sunoco must complete an investigation to determine to the extent possible when the Failure discovered on January 31, 2025 began. This investigation must include a comprehensive analysis of any odor complaints, SCADA, leak detection, surveillance, and other monitoring systems on the *Affected Pipeline*. A final report of this investigation will be provided to the Director and the conclusions of such will provide structure to the subsequent evaluation of the effectiveness and capability of the current leak detection system employed on the *Affected Pipeline* (Item 17).

17. **Evaluation of the Leak Detection System.** Within 120 days of the completion of Item 16, Sunoco must complete an evaluation of the effectiveness and capability of Sunoco's leak detection system on the *Affected Pipeline*, including main lines, stub lines, and delivery lines with particular focus on the conditions surrounding the Failure discovered on January 31, 2025 and those identified via the completion of Item 16. At a minimum, Sunoco's evaluation must consider the following factors; length and size of the pipeline, type of product carried, the swiftness of leak detection, limitations on detectable quantities, location of nearest response personnel, and leak history. This evaluation must also consider maximum operating pressure (MOP), normal operating pressures, flow rates (or throughput), and impacts from any pressure cycles or operational changes. For mainline segments that could affect high consequence areas (HCAs), Sunoco's evaluation must consider the pipeline's proximity to the HCA and risk assessment results.

- a. Based on the collective findings of Items 16 and 17, evaluate potential corrective measures to improve the effectiveness of Sunoco's leak detection system where possible on the *Affected Pipeline*. Sunoco must consider the latest advancements in technology that present the potential to improve the capability of its leak detection system on the *Affected Pipeline* to detect the type of leak for the Failure discovered on January 31, 2025. To the extent any corrective measures are identified that would demonstrably result in improving the capability of the leak detection system to detect leaks that could potentially affect public safety, property, or the environment, similar to leaks with characteristics common to the Failure discovered on January 31, 2025, Sunoco will implement such corrective measures.
- b. Evaluate Sunoco's written plans and procedures for inspection and maintenance that address leak detection, right-of-way inspection and repairs and determine the extent to which the written plans contribute to the prevention of hazardous leaks. Based on the findings, determine appropriate amendments to improve the extent to which the plans contribute to the elimination of hazardous leaks.

- c. Evaluate the effectiveness of Sunoco's ROW inspection program as it pertains to leak detection. This evaluation must consider any geographic regions or features (i.e., HCAs and other sensitive areas) that may require specific or additional means of patrol. Based on the findings, determine corrective measures to improve the effectiveness of Sunoco's ROW inspection program relative to leak detection.
- d. Implement continuing long-term periodic testing and integrity verification measures to ensure the ongoing safe operation of the *Affected Pipeline* considering the results of the analyses, inspections, evaluations, and corrective measures undertaken pursuant to the Order.

18. **Third-Party Facilitator.** Items 16 and 17 must each be facilitated by separate personnel from a third-party with relevant expertise approved by the Director. Any documentation from the third-party facilitators must be included in each required submission to the Director.

19. **Instrumented Leakage Survey.** Within 30 days after the Consent Order is issued, Sunoco must perform a ground instrument leakage survey or an excavation and evaluation of the remaining Type A sleeve locations on the *Affected Pipeline*. Sunoco must investigate all leak indications and remedy all leaks discovered. Sunoco must submit documentation of this survey to the Director within 45 days after the Consent Order is issued.

20. **Mechanical and Metallurgical Testing.** Within 45 days after the Consent Order is issued, Sunoco must complete mechanical and metallurgical testing and failure analysis of the failed pipe, including an analysis of soil samples and any foreign materials. Mechanical and metallurgical testing must be conducted by an independent third-party acceptable to the Director and must document the decision-making process and all factors contributing to the Failure. Respondent must complete the testing and analysis as follows:

- a. Document the chain-of-custody when handling and transporting the failed pipe section and other evidence from the Failure site.
- b. Within 10 days of receipt of the Consent Order, develop and submit the testing protocol and the proposed testing laboratory to the Director for prior approval.
- c. Prior to beginning the mechanical and metallurgical testing, provide the Director with the scheduled date, time, and location of the testing to allow for an OPS representative to witness the testing.
- d. Ensure the testing laboratory distributes all reports whether draft or final in their entirety to the Director at the same time they are made available to Respondent.

21. **Root Cause Failure Analysis.** Within 120 days after the Consent Order is issued, complete a root cause failure analysis (RCFA) and submit a final report of this RCFA to the Director. The RCFA must be supplemented or facilitated by an independent third-party acceptable to the Director and must document the decision-making process and all factors contributing to the Failure. The final report must include findings, and any lessons learned and whether the findings and lessons learned are applicable to other locations within the *Affected Pipeline* system.

22. **Emergency Response Plan and Training Review.** Within 90 days of receipt of the Consent Order, Sunoco must review and assess the effectiveness of its emergency response plan with regards to the Failure. Sunoco must include in the review and assessment the on-scene response and support, coordination, and communication with emergency responders and public officials. Sunoco must also include a review and assessment of the effectiveness of its emergency training program. Sunoco must amend its emergency response plan and emergency training, if necessary, to reflect the results of this review. The documentation of this *Emergency Response Plan and Training Review* must be available for inspection by OPS or provided to the Director, if requested.

23. **Public Awareness Program Review.** Sunoco must review and assess the effectiveness of its Public Awareness program with regards to the Failure. Sunoco must amend its Public Awareness Program, if necessary, to reflect the results of this review. The documentation of this *Public Awareness Plan Program Review* must be available for inspection by OPS or provided to the Director, if requested.

24. **Extensions of Time.** The Director may grant an extension of time for compliance with any of the terms of the Agreement upon a written request timely submitted demonstrating good cause for the extension. The Director shall respond in writing to any such request.

III. Review and Approval Process:

25. With respect to any submission under Section II (Corrective Measures) of this Agreement that requires the approval of the Director, the Director may: (a) approve, in whole or in part, the submission; (b) approve the submission on specified, reasonable conditions; (c) disapprove, in whole or in part, the submission; or (d) any combination of the foregoing. If the Director approves, approves in part, or approves with conditions, Respondent will take all actions as approved by the Director, subject to Respondent's right to invoke the dispute resolution procedures in Section IV with respect to any conditions the Director identifies. If the Director disapproves all or any portion of the submission, the Director will provide Respondent a written notice of the deficiencies. Respondent will correct all deficiencies within the time specified by the Director and resubmit the submission for approval.

IV. Dispute Resolution:

26. The Director and Respondent will informally attempt to resolve any disputes arising under this Agreement, including any decision of the Director under the terms of Section II (Corrective Measures). If Respondent and the Director are unable to informally resolve the dispute within 15 business days after the dispute is first raised, in writing, to the Director, Respondent may submit a written request for a determination resolving the dispute from the Associate Administrator for Pipeline Safety. Such request must be made in writing and provided to the Director, counsel for the Southwest Region, and to the Associate Administrator, no later than 10 business days following the 15-day deadline for informal resolution referenced in this paragraph. Along with its request, Respondent must provide the Associate Administrator with all information Respondent believes is relevant to the dispute. Decisions of the Associate Administrator under this paragraph will constitute final agency action and be subject to judicial

review. The existence of a dispute and PHMSA's consideration of matters placed in dispute will not excuse, toll, or suspend any term or timeframe for completion of any work to be performed under this Agreement during the pendency of the dispute resolution process, except as agreed by Respondent and the Director or the Associate Administrator in writing.

V. Enforcement:

27. This Agreement is subject to all enforcement authorities available to PHMSA under 49 U.S.C. § 60101, *et seq.*, and 49 CFR Part 190, including administrative civil penalties under 49 U.S.C. § 60122, of up to \$272,926 per violation for each day the violation continues and referral of the case to the Attorney General for judicial enforcement, if PHMSA determines that Respondent is not complying with the terms of this Agreement in accordance with the determinations made by the Director, or in accordance with decisions of the Associate Administrator if resolved pursuant to the Dispute Resolution process herein. The maximum civil penalty amounts are adjusted annually for inflation. *See* 49 CFR § 190.223. All work plans and associated schedules set forth or referenced in Section II are automatically incorporated into this Agreement and are enforceable in the same manner.

VI. Effective Date:

28. The term "Effective Date," as used herein, is the date on which the Consent Order is executed by the Associate Administrator incorporating the terms of this Agreement. The Director shall consider the actions that Respondent performed after the Failure and prior to the Effective Date of this Agreement in determining whether Respondent has satisfied the terms and conditions in Section II (Corrective Measures) of this Agreement.

VII. Recordkeeping and Information Disclosure:

29. Unless otherwise required in this Agreement, Respondent agrees to maintain records demonstrating compliance with all requirements of this Agreement for a period of at least five (5) years following completion of all work to be performed, unless a longer period of time is required pursuant to 49 CFR parts 190-199. For any reports, plans, or other deliverables required to be submitted to PHMSA pursuant to this Agreement, Respondent may assert a claim of business confidentiality or other protections applicable to the release of information by PHMSA, covering part or all of the information required to be submitted to PHMSA pursuant to this Agreement in accordance with 49 CFR Part 7. Respondent must mark the claim of confidentiality in writing on each page, and include a statement specifying the grounds for each claim of confidentiality. PHMSA determines release of any information submitted pursuant to this Agreement in accordance with 49 CFR Part 7, the Freedom of Information Act, 5 U.S.C. § 552, DOT and PHMSA policies, and other applicable regulations and Executive Orders.

VIII. Modification:

30. The terms of this Agreement may be modified by mutual agreement of the Parties. Such modifications must be in writing and signed by both parties.

IX. Termination:

31. This Agreement will remain in effect until the Corrective Measures in Section II are satisfied, as determined by the Director. The Agreement shall not terminate until the Director confirms, in writing, that the Agreement is terminated in accordance with this paragraph. Nothing in this Agreement prevents Respondent from completing any of the obligations earlier than the deadlines provided for in this Agreement.

X. Ratification:

32. The Parties' undersigned representatives certify that they are fully authorized to enter into the terms and conditions of this Agreement and to execute and legally bind such party to this document.

33. The Parties hereby agree to all findings, conditions, and terms of this Agreement.

[Signature Lines on Following Page]

For Sunoco Pipeline LP:



Todd Stamm, Senior Vice President - Operations

4.30.25
Date

For PHMSA:

Bryan Lethcoe, Director, Southwest Region, Office of Pipeline Safety

April 30, 2025
Date