

Sunoco Logistics and Energy Transfer Partners Pipeline Incident Summary

In 2017, Sunoco Logistics ("Sunoco") and Energy Transfer Partners merged into one company under the name "Energy Transfer Partners" ("ETP"). Following this merger, ETP operates 9,162 miles of hazardous liquid (i.e. crude oil) and gas pipelines. According to the Pipeline and Hazardous Materials Safety Administration (PHMSA) and news reports, Sunoco and ETP had 321 pipeline incidents from January 1, 2006 to July 31, 2017. PHMSA estimates that these incidents have caused \$66,083,987 in property damage. Of approximately 37,948 barrels of hazardous liquid released, 26,658 barrels (70%) were never recovered by the companies.

Timeline of Notable Known Incidents and Enforcement Efforts:

- **2000:** In November, a leak in a Sunoco pipeline caused by corrosion spilled 63,000 gallons of crude oil into Campit Lake in Claiborne Parish, Louisiana. ⁴
- **2004:** In April, a PHMSA inspection of Sunoco's East Texas Pipeline System resulted in a fine of \$11,000 for pipeline corrosion.⁵

2005:

- o In January, Sunoco spilled approximately 260,000 gallons of crude oil into the Kentucky River. The slick on the Kentucky River was 17 miles long, reached the Ohio River, and harmed hundreds of waterfowl. The spill resulted from a girth weld failure in a 22-inch-diameter pipe that had been laid in 1950.
- PHMSA investigated and fined Sunoco \$150,000 after a pipeline facility overfilled

¹ Sunoco Logistics Partners and Energy Transfer Partners Announce Successful Completion of Merger, Energy Transfer (April 28, 2017), http://ir.energytransfer.com/phoenix.zhtml?c=106094&p=irol-newsArticle&ID=2267001.

² Operator Information: Incident and Mileage Data: Sunoco Pipeline L.P., Pipeline & Hazardous Materials Safety Admin. (April 18, 2017), http://primis.phmsa.dot.gov/comm/reports/operator/OperatorIM_opid_18718.html?nocache=4631#_OuterPanel_tab_2; Operator Information: Incident and Mileage Data: Energy Transfer Company., Pipeline & Hazardous Materials Safety Admin. (April 18, 2017), https://primis.phmsa.dot.gov/comm/reports/operator/OperatorIM_opid_32099.html?nocache=4028#_OuterPanel_tab_2.

³ Pipeline & Hazardous Materials Safety Admin., *supra* note 2.

⁴ Federal Government Reaches Settlement with Pipeline Companies Regarding Crude Oil Spills, Dep't of Justice, (Aug. 15, 2006) https://www.justice.gov/archive/opa/pr/2006/August/06_enrd_534.html.

⁵ Vickie Welborn, Pipeline breaks have cost Sunoco millions, The Times, (Nov. 3, 2014), http://www.shreveporttimes.com/

story/news/local/louisiana/2014/11/01/pipeline-breaks-cost-sunoco-millions/18340559/.

⁶ Dep't of Justice, *supra* note 4.

and released more than 10,000 barrels of crude oil in Pennsylvania.

2006:

- PHMSA conducted an on-site pipeline safety inspection of Sunoco's records and facilities in both Oklahoma and Texas, ultimately fining the company \$119,000 for 19 violations.
- Mid-Valley Pipeline Co. and Sunoco Pipeline LP, both affiliates of Sunoco Logistics, agreed to pay a \$2.57 million penalty in a U.S. Justice Department settlement for the January 2005 pipeline leak into the Kentucky and Ohio rivers. The consent decree also included a federal civil penalty of \$300,000 for Clean Water Act violations by both companies related to the 2000 crude oil spill in Claiborne Parish, Louisiana.
- In December, a hazardous liquid leak from a Sunoco pipeline in Sylvania,
 Pennsylvania caused \$6,657 in property damage.
- **2007:** In May, a bulldozer accidentally struck a Sunoco pipeline in Shamokin, Pennsylvania, spilling approximately 63,000 gallons of gasoline. ¹¹
- **2008:** In November, mistakes during maintenance on a Sunoco pipeline in Murrysville, Pennsylvania caused a plug to blow out, causing a massive gasoline fountain. The approximately 12,000 gallon spill caused evacuations of nearby homes and businesses and killed nearly all of the aquatic life in a three-mile stretch of Turtle Creek. ¹²

2009:

o In March, PHMSA proposed a \$232,900 fine for the Murrysville, Pennsylvania spill. 13

 In June, a fire during repair work on Sunoco's West Texas Gulf Pipeline System caused a spill of more than 142,800 gallons of crude oil near Colorado City, Texas.

⁷ U.S. Dep't of Transp., Pipelines and Hazardous Materials Safety Admin., *Final Order: In the Matter of Sunoco Pipeline L.P.*, (Nov. 15, 2015) *available at* https://primis.phmsa.dot.gov/comm/reports/enforce/documents/420055011/Final%20Order%20Sunoco%20Pipeline%20L.P.%20CPF%20No.%204-2005-5011.pdf.

⁸ Letter from R M. Seeley, Director, Southwest Region Pipeline and Hazardous Material Safety Admin. to David A. Justin, Vice President, Operations, Sunoco Pipeline, L.P., (Aug. 21, 2007), *available at* Admin.https://primis.phmsa.dot.gov/comm/reports/enforce/documents/420075033W/420075033w_%20warning%20letter_08212007_text.pdf.

⁹ Dep't of Justice, *supra* note 4.

¹⁰ Pipeline Safety Tracker: Incident on Dec. 27, 2006, ProPublica, (last visited Dec. 8, 2016), http://projects.propublica.org/pipelines/incidents/272244.

¹¹ DEP Overseeing Gasoline Spill Remediation, Gant News, (May 30, 2007), http://gantdaily.com/2007/05/30/dep-overseeing-gasoline-spill-remediation/.

 $^{^{12}}$ Laura Legere, DEP proposes \$2.3 million fine for 2008 gasoline spill from Sunoco pipeline, StateImpact, (Mar. 5, 2014) https://stateimpact.npr.org/pennsylvania/2014/03/05/dep-proposes-2-3-million-fine-for-2008-gasoline-spill-from-sunoco-pipeline/.

¹³ DOT Proposes Fine for Sunoco Pipeline, L.P. for Pennsylvania Accident, Pipelines and Hazardous Materials Safety Admin., (Aug. 17, 2009), http://www.phmsa.dot.gov/portal/site/PHMSA/menuitem.6f23687cf7b00b0f22e4c6962d9c8789/?vgnextoid=38468987e8de2210VgnVCM1000001ecb7898RCRD&vgnextchannel=9a5145aabfa9f010VgnVCM100000762c7798RCRD&vgnextfmt=print.

¹⁴ Letter from R. M. Seeley, Director, Southwest Region, Pipeline and Hazardous Materials Safety Admin. to David Justin, Vice President, Operations. Sunoco Pipeline L.P., (Mar. 11, 2010) *available at* https://primis.phmsa.dot.gov/comm/

- **2010:** In March, PHMSA assessed a \$415,000 fine for the Colorado City, Texas crude oil spill. ¹⁵
- **2011**: Spill of 54,873 gallons of crude oil at Sunoco's Cromwell, Oklahoma facility. ¹⁶
- **2012:** In January, a 30-inch rupture in a Sunoco pipeline built in 1952 spewed approximately 100,000 gallons of gasoline, forcing the evacuation of 70 Wellington, Ohio residents and polluting two waterways, including a tributary of Lake Erie. ¹⁷

2013:

- \circ In March, a Sunoco pipeline leaked ~20,000 gallons of crude oil into Otter Creek in Tyler County, Texas.
- In December, in Coal Township, Pennsylvania, a Sunoco pipeline leak was detected when someone reported smelling gasoline. Sunoco reported 2 gallons of gasoline spilled.

2014:

- In March, the Pennsylvania Department of Environmental Protection filed a complaint seeking to fine Sunoco at least \$2.38 million for the 2008 Murrysville, Pennsylvania spill, which caused about \$1.1 million in property damage.
- Also in March, Sunoco reported a 21,000-gallon crude oil spill into an unnamed creek that runs into a nature preserve in Cincinnati, Ohio.
- In October, Sunoco's Mid Valley Pipeline leaked approximately 168,000 gallons of crude oil into Miller Branch Creek of the Tete Bayou, near Mooringsport, Louisiana.

2015:

PHMSA found out that Sunoco failed to report a crude oil spill, fire, and at least one
injury that occurred at subsidiary West Texas Gulf Pipeline Company's Wortham
facility on February 19, 2013. PHMSA only learned about the incident when they

¹⁶ Angela Neville, *Sunoco Settles with EPA Over Oil Spills in Texas and Oklahoma*, Texas Lawyer, (Jul. 20, 2016) http://www.texaslawyer.com/id=1202763176324/Sunoco-Settles-with-EPA-Over-Oil-Spills-in-Texas-and-Oklahoma?slr eturn=20161108125807.

http://www.12 news now.com/news/550-barrels-of-crude-oil-leak-into-tyler-county-creeks/270123548.

reports/enforce/documents/420105010/420105010_NOPV%20PCP%20PCO_03112010_text.pdf.

¹⁵ Letter *supra* note 14.

¹⁷ Kelly Petryszyn, Investigators look into Wellington pipeline leak, The Morning Journal (Jan. 25, 2012 12:01 AM) http://www.morningjournal.com/article/MJ/20120125/NEWS/301259962.

¹⁸ 550 barrels of crude oil leak into Tyler County creeks, 12 News, (March 7, 2013, 5:25 PM)

¹⁹ Mike Vojtoko, *Crews Work to Stop Gas Leak*, 16 WNEP, (Dec. 23, 2013), http://wnep.com/2013/12/23/crews-work-to-stop-gas-leak/.

²⁰ Legere, *supra* note 12.

²¹ *Mid-Valley Pipeline Crude Oil Release*, U.S. Envtl. Prot. Agency, (last visited Dec. 8, 2016) https://www.epaosc.org/site/site_profile.aspx?site_id=9144.

²² E15601 - Mid-Valley Pipeline Oil Spill, U.S. Envtl. Prot. Agency, (last visited Dec. 8, 2016), https://www.epaosc.org/site/site_profile.aspx?site_id=9578.

received a public information request about it. The following investigation uncovered many mistakes made by Sunoco leading up to the accident, including failing to verify employee qualifications and not following safety procedures. There had been a similar accident while workers were doing maintenance work on a different Sunoco Texas pipeline terminal in 2009, and PHMSA cited Sunoco's failure to investigate the 2009 incident as a root cause of the 2013 accident. ²³

2016:

- In July, PHMSA issued Sunoco a notice of violation of numerous pipeline safety regulations for the unreported 2013 spill, and proposed a \$1.54 million civil penalty.
- Also in July, Sunoco reached a settlement with the EPA over Clean Water Act violations stemming from the 2009 Texas spill and the 2011 spill in Oklahoma. The company paid a \$850,000 federal civil penalty and implemented corrective measures.
- In August, contractors were working on main lines in Sunoco Pipeline LP's
 Nederland terminal in Texas when crude oil burst through a plug that was supposed
 to hold the oil back in the pipeline and ignited, according to lawsuits filed by the
 contract workers.
- o In October, as a result of flooding, a Sunoco pipeline spilled a reported 55,000 gallons of gasoline into Loyalsock Creek in Lycoming County, Pennsylvania. The vulnerability of this section of the pipeline to damage from flooding had already been made clear in September 2011, when a large section of it was exposed during the 500-year flood event triggered by Tropical Storm Lee.
- In December, there were three incidents on Sunoco pipelines, including a spill in Yale, Oklahoma that caused over \$30,000 in property damage.²⁹

2017:

 In January, there were two Sunoco pipeline incidents caused by corrosion, one in Sharon Hill, Pennsylvania, and another in Liberty, Texas. Combined with another incident related to equipment failure in Aston, Pennsylvania, these incidents caused

²⁷ Sunoco Pipeline Spills Gasoline Near Pennsylvania River, Reuters, (Oct. 22, 2016, 10:29 AM) http://fortune.com/2016/10/22/sunoco-pipeline-spill-pennyslvania/.

²³ Dianna Wray, *Sunoco, Sued After August Pipeline Fire, Has a History of Safety Violations*, HoustonPress,(Sept. 2, 2016, 5:00 AM) http://www.houstonpress.com/news/sunoco-sued-after-august-pipeline-fire-has-a-history-of-safety-violations-8721539.

²⁴ Jess Krochtengel, *Sunoco Pipeline Faces \$1.5M Fine For Texas Safety Violations*, Law360, (Jul. 11, 2016, 2:41 PM), http://www.law360.com/articles/815826/sunoco-pipeline-faces-1-5m-fine-for-texas-safety-violations.

²⁵ Sunoco Pipeline, L.P. Clean Water Act Settlement, U.S. Envtl. Prot. Agency, (Last updated on Jul. 26, 2016) https://www.epa.gov/enforcement/sunoco-pipeline-lp-clean-water-act-settlement.

²⁶ Wray, *supra* note 23.

²⁸ Susan Phillips, *Sunoco Gas Pipeline Ruptures in Lycoming County*, StateImpact, (Oct. 21, 2016, 7:25 PM) https://stateimpact.npr.org/pennsylvania/2016/10/21/sunoco-gas-pipeline-ruptures-in-lycoming-county/.

²⁹ *Operator Information: Incident and Mileage Data: Sunoco Pipeline L.P.*, Pipeline & Hazardous Materials Safety Admin. *supra* note 2.

over \$70.000 in property damage. 30

- In February, Sunoco pipeline corrosion caused a spill and over \$45,000 in property damage in Corsicana, Texas. 31
- On March 3, the Dakota Access pipeline spilled 84 gallons from a leak in Watford City, North Dakota, where two sections of the pipeline connect. On March 5, a second leak of 20 gallons occurred in rural Mercer County, North Dakota, the result of an above-ground valve malfunction. On April 4, the pipeline leaked 84 gallons at a pump station in South Dakota.³²

o In April:

- Sunoco's Mariner East 1 natural gas pipeline leaked about 20 barrels of ethane and propane in Morgantown, Berks County PA.³³
- The Environmental Protection Agency brought a lawsuit against Sunoco for the 2012 spill in Ohio, based on evidence that the company found a defect in the over fifty-year-old pipeline in 2007, but did not fix it before the 2012 rupture.³⁴ Sunoco and the Environmental Protection Agency reached a proposed settlement decreasing the \$2.15 million in Clean Water Act fines down to a \$990,000 civil penalty.³⁵
- During the construction of the Rover Pipeline, ETP spilled 2,050,000 gallons of drilling fluids in the Tuscarawas wetlands in Ohio. Following the spill, U.S. Federal Energy Regulatory Commission (FERC) banned ETP from starting new horizontal directional drilling under waterways and roads.³⁷ The Ohio Environmental Protection Agency asked the state's attorney general to pursue civil penalties against ETP for several violations, including the Tuscarawas spill.³⁸

³⁷ Scott DiSavino, ETP's \$4 Billion Rover Line Hits Another Snag, This Time in West Virginia (July 24, 2017, 11:12AM), https://www.reuters.com/article/us-energy-transf-rover-natgas-idUSKBN1A91VT.

³⁸ Disavino, *supra* note 37.

³⁰ Operator Information: Incident and Mileage Data: Sunoco Pipeline L.P., Pipeline & Hazardous Materials Safety Admin. supra note 2.

³¹ *Id.*

³² Zak Cheney Rice, *The Dakota Access Pipeline Sprung 2 New Leaks*, (May 23, 2017, 8:26PM) http://www.businessinsider.com/the-dakota-access-pipeline-sprung-2-new-leaks-2017-5.

³³ John Hurdle and Susan Phillips, Sunoco's Mariner East 1 Pipeline Leaked Ethane and Propane In Berks County, Records Show, (April 20, 2017, 6:35PM), https://stateimpact.npr.org/pennsylvania/2017/04/20/sunocos-mariner-east-1pipeline-leaked-ethane-and-propane-in-berks-county-records-show/.

³⁴ Feds Sue Sunoco Over 2012 Pipeline Rupture, Spill in Ohio, U.S. News (April 4, 2017, 12:21 PM) https://www.usnews.com/news/best-states/pennsylvania/articles/2017-04-04/feds-sue-sunoco-over-2012-pipeline-ru pture-spill-in-ohio.

³⁵ Kat Sieniuc, US And Sunoco Settle Suit Over Pipeline Spill, Law360 (April 4, 2017, 6:53 PM), https://www.law360.com/articles/909837/us-and-sunoco-settle-suit-over-pipeline-spill.

³⁶ Courtney Norris, The Rover Pipeline Leaked Millions of Gallons of Drilling Fluid Into Ohio Wetlands (April 20, 2017, 9:47PM), http://www.pbs.org/newshour/rundown/two-weeks-rover-pipeline-leaked-drilling-fluid-ohio-wetlands/.

- In June, FERC launched an investigation into ETP's construction of the Rover pipeline.
- o In July:
 - While drilling for the Mariner 2 Pipeline, Sunoco contaminated well drinking water in Exton, Pennsylvania. Community members experienced a loss of water pressure and cloudy water. Later in July, Sunoco spilled 1,500 gallons of drilling lubricant into a creek and several days later and hit an aquifer causing a water surge. The Pennsylvania Department of Environmental Protection issued four Notices of Violation and an \$87,600 fine for these incidents, which led to a consent order requiring Sunoco to halt construction until corrective action had been taken.
 - FERC announced that it determined that, between February 2015 and September 2016, while applying for a certificate of public convenience and necessity, ETP deceived the agency as to the company's plan to demolish a historic house near the path of the Rover Pipeline.⁴³
 - The West Virginia Department of Environmental Protection ordered ETP to cease and desist construction on its Rover pipeline after three months of permit violations damaging creeks and streams in the state.⁴⁴
- In August, Sunoco entered into a settlement agreement with environmental groups and the Pennsylvania Department of Environmental Protection for Sunoco's environmental violations during the construction of the Mariner East 2 pipeline.
 Sunoco had at least 90 spills of drilling fluid and damaged water supplies in at least five locations.⁴⁵

Conclusion:

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³⁹ The Company Behind the Dakota Access Pipeline has Another Big Problem in Ohio, Bloomberg (June 22, 2017, 6:00 AM) https://www.bloomberg.com/news/articles/2017-06-22/dakota-access-builder-now-bungling-4-2-billion-pipeline-in-ohio.

 ⁴⁰ Sunoco responds after contaminating drinking water wells, Daily Times Business (July 11, 2017, 9:19 PM)
 http://www.delcotimes.com/business/20170711/sunoco-responds-after-contaminating-drinking-water-wells.
 ⁴¹ Sunoco Pipeline Crews Dealing With 2 Incidents Over Span Of 3 Days, CBS Philly (July 19, 2017, 6:22PM)
 http://philadelphia.cbslocal.com/2017/07/19/sunoco-pipeline-incidents/.

⁴² Keith Schweiger, *State DEP says it has issued 4 violations and a fine related to the Sunoco Mariner East 2 Pipeline Project*, Fox43 (July 21, 2017, 3:35PM) http://fox43.com/2017/07/21/state-dep-says-it-has-issued-4-violations-and-a-fine-related-to-the-sunoco-mariner-east-2-pipeline-project/; Sean Naylor, *Sunoco to halt drilling of Pipeline Project after State DEP enforces consent order and agreement*, Fox 43 (July 25, 2017, 5:03PM) http://fox43.com/2017/07/25/sunoco-to-halt-drilling-of-pipeline-project-after-state-dep-enforces-consent-order-and-agreement/.

⁴³ John Kennedy, *ETP Demolished Historic House Near Pipeline, FERC Says*, Law360 (July 14, 2017, 6:22 PM) https://www.law360.com/articles/944287/etp-demolished-historic-house-near-pipeline-ferc-says.

⁴⁴ Michael Virtanen, *West Virginia Orders Halt to Rover Pipeline Segments*, U.S. News & World Report (July 26, 2017, 1:38PM), https://www.usnews.com/news/best-states/west-virginia/articles/2017-07-26/west-virginia-orders-halt-to-rover-pipeline-segments.

⁴⁵ Settlement on Mariner East Drilling Reached Between Sunoco and Environmental Groups; Provides Additional Public Protections, Clean Air Council (Aug. 9, 2017), http://cleanair.org/me2-settlement-agreement/.

The incidents listed above provide only a snapshot of the accidents and spills from Sunoco and ETP pipelines. They had 317 pipeline incidents over the span of eleven years - an average of 28 incidents per year. These fires, leaks, and spills caused injuries to people, waterways, and property. Sunoco and ETP pipelines are hazardous to communities, clean water, wildlife, and workers.

From January 2006 through September 2013 alone, Sunoco:

- Paid \$1.2 million in penalties for safety issues.
- Caused property damage costing almost \$42 million.
- Spilled 16,075 barrels of hazardous liquids, over half of which was never recovered. 46

From January 2006 through October 2016, ETP:

- Caused property damage costing \$ 9.67 million, but paid only \$24,400 in penalties. 47
- Spilled 9,577 barrels of hazardous liquids with only 30 barrels recovered and 99.6% remaining in the environment. 48

From January 2010 through June 2017, ETP:

• Spilled hazardous liquids near water crossings more than twice as frequently as any other pipeline company in the United States this decade.⁴⁹

• Was responsible for almost 20% of all hazardous liquid spills near water crossings.

⁴⁶ Welborn, *supra* note 5. *See also* Liz Hampton, *Sunoco, behind protested Dakota pipeline, tops U.S. crude spill charts,* Reuters, (Sept. 23, 2016), http://www.reuters.com/article/us-usa-pipeline-nativeamericans-safety-i-idUSKCN11T1UW.

⁴⁷ Operator Information: Federal Inspection and Enforcement Data: Energy Transfer Company, Pipeline & Hazardous Materials Safety Admin. (April 20, 2017), https://primis.phmsa.dot.gov/comm/reports/operator/OperatorIE_opid_32099.html?nocache=7067#_OuterPanel_tab_2.

⁴⁸ Pipeline & Hazardous Materials Safety Admin., *supra* note 1.

⁴⁹ Tucker Higgins, *Energy Transfer's Pipeline Spill Problem is Causing it Another Headache*, TheStreet, (June 22, 2017, 12:27PM), https://www.thestreet.com/story/14178469/1/energy-transfer-has-a-problem-that-keeps-rearing-its-ugly-head-pipeline-spills.html.