

DOCKET NO. D-2016-010-1

DELAWARE RIVER BASIN COMMISSION

**Sunoco Logistics Partners, L.P. and MIPC LLC
Delaware River Pipeline Relocation Project
Tinicum Township, Delaware County, Pennsylvania
and West Deptford Township, Gloucester County, New Jersey**

PROCEEDINGS

This docket is issued in response to an Application submitted by STV Energy Services, Inc. on behalf of Sunoco Logistics Partners, L.P. (SXL) and MIPC LLC (MIPC) (docket holders) to the Delaware River Basin Commission (DRBC or Commission) on October 12, 2016 for review of two new liquid petroleum pipeline crossings of the Delaware River. The docket application was followed by a request for emergency approval on October 19, 2016. The docket holders have received approvals necessary for the installation of the two pipelines from the United States Army Corps of Engineers (USACE), Pennsylvania Department of Environmental Protection (PADEP), New Jersey Department of Environmental Protection (NJDEP), Delaware County Conservation District, and the Gloucester County Soil Conservation District. Approvals from the NJDEP and USACE for the removal/capping of the existing pipelines are pending.

The Application was reviewed for approval under Section 3.8 of the *Delaware River Basin Compact*. The Delaware County Planning Commission and the Gloucester County Planning Department have been notified of pending action on this docket. A public hearing on this project was held by the DRBC on August 16, 2017.

A. DESCRIPTION

1. Purpose. The purpose of this project is to relocate and replace approximately 6,500 linear feet of existing 8-inch and 12-inch diameter liquid petroleum pipelines to provide adequate burial and clearance depth under the Delaware River Federal navigation channel in accordance with USACE requirements. The Commission issued an Emergency Certificate for the replacement project on December 7, 2016 to allow sufficient time for the docket holder to satisfy USACE's project schedule.

2. Location. The new pipelines extend from uplands located adjacent to an existing SXL mooring facility in Tinicum Township, Delaware County, Pennsylvania and pass under the Delaware River in a south-southeast direction for a distance of approximately 6,500 feet to uplands located within existing SXL and MIPC pipeline right-of-way in West Deptford Township, Gloucester County, New Jersey. The pipelines will cross beneath Water Quality Zone 4 of the Delaware River at approximately River Mile 90.6.

3. **Area Served.** The new pipelines will transport petroleum liquids within the docket holder's existing pipeline systems by replacing two pipeline sections that cross the Delaware River. For the purpose of defining Area Served, the Application is incorporated herein by reference consistent with conditions contained in the DECISION section of this docket.

4. **Physical features.**

a. **Design criteria.** SXL owns and operates a 12-inch diameter liquid petroleum pipeline and MIPC owns and operates an adjacent 8-inch diameter liquid petroleum pipeline extending under the Delaware River. Recent dredging activities performed by USACE as part of a deepening project have left the two existing pipelines with only 5 to 10 feet of cover. USACE has instructed SXL and MIPC that the existing lines must be deactivated and the operational lines must be located a minimum of 25 feet below the authorized new channel depth. The new replacement pipelines were installed at approximately 80 feet below mean low water elevation which provides approximately 35 feet of clearance below the 45-foot Federal navigation channel and meets USACE burial depth and clearance requirements.

The pipelines were installed beneath the Delaware River using an approximate 6,500 linear foot horizontal directional drill (HDD). This technique involves drilling a small diameter pilot hole along a prescribed path under the river. After the pilot hole is drilled, the borehole is reamed to a larger diameter to accommodate the pipelines. During HDD operations drilling mud consisting of water and bentonite is continuously circulated in the borehole to maintain borehole integrity and remove drill cuttings. The pipelines assembled within the existing ROW on the New Jersey side were bundled and connected to the reamer bit and pulled back through the borehole to the Pennsylvania side. The HDD entry and exit locations are located outside the Delaware River mean high water line and floodway.

After the new HDD pipeline segments have been tied into the existing pipeline systems and are fully operational, the approximate 1,254 foot sections of existing pipelines within and adjacent to the navigation channel will be removed. A bucket dredge and hand jetting will be used to expose the pipeline. Excavated material will be loaded onto barges and disposed of at a USACE authorized disposal area. The exposed section of cleaned pipeline will then be cut into manageable lengths and removed. The remaining sections of the deactivated pipelines will be mechanically capped and plugged by grout and abandoned in place. Prior to removal and/or abandonment, all deactivated pipeline segments will be cleaned and purged with nitrogen.

b. **Facilities.** The new fusion bonded epoxy coated, heavy-wall (0.5-inch thickness) carbon steel pipelines have maximum operating pressures of 670 psi (SXL 12-inch pipeline) and 1,370 psi (MIPC 8-inch pipeline) and were installed beneath the Delaware River using an approximate 6,500 linear foot HDD. On the Pennsylvania side, approximately 280 feet of new 12-inch diameter pipeline and 175 feet of new 8-inch diameter line will be installed via conventional trench and connect the submerged pipeline sections to the respective existing on-land pipeline system. On the New Jersey side, approximately 50 feet and 35 feet of new 12-inch and 8-inch pipeline, respectively, will be installed via conventional trenching methods for

connection of the new pipeline segments to the existing pipeline systems. No new above ground facilities are proposed.

c. Water Withdrawals and Discharges. The project required approximately 0.120 million gallons of water for the hydrostatic testing of the pipelines and approximately 4.075 million gallons for HDD operations. All water used for these purposes was obtained from hydrants in West Deptford Township, New Jersey and Tincum Township, Pennsylvania. These areas are served by West Deptford Township and Aqua Pennsylvania, respectively.

No discharges occurred as a result of HDD operations or hydrostatic testing. Water used for the hydrostatic testing of pipeline prior to pullback installation was collected and reused in HDD drilling mud. Water used for the second hydrostatic test of the pipeline was collected and stored onsite and will be used to clean the existing inactive pipelines prior to removal and abandonment. After cleaning, the water will be removed from the pipelines and disposed of at Sunoco's Eagle Point facility wastewater treatment plant in West Deptford Township, Gloucester County, New Jersey. Recovered drilling mud and cuttings from the HDD operations were disposed of at a state approved disposal facility.

d. Cost. The overall cost of this project is estimated to be \$12,000,000.

B. FINDINGS

The existing pipelines, to be decommissioned as a result of this relocation project were previously approved by the Commission in Docket No. D-64-51 on April 26, 1967.

The project will temporarily disturb 16.4 acres of land in New Jersey and 9.9 acres of land in Pennsylvania during the construction of the new pipelines. No new permanent above ground facilities are proposed. All disturbed areas will be graded and seeded and restored to preexisting conditions. The project will temporarily disturb one wetland (approximately 0.1 acres) located within the ROW in New Jersey. Timber matting will be used to minimize impacts to this wetland when crossed for access to the construction activities. After construction is complete, the timber matting will be removed, thus no mitigation is required. No excavation or fill activities are proposed in the wetland area.

At the project site, the Delaware River is tidal. There are no public water supply intakes located downstream of the project. The nearest upstream surface water intakes of record for public water supply are located on the Delaware River approximately 19.5 River Miles upstream of the pipeline crossing, and are operated by Philadelphia Water Department and the New Jersey American Water Company.

The docket holder has obtained Federal, state and local approval of: 1) Section 404 permits from the USACE, a Water Obstruction and Encroachment Permit (Chapter 105) and General Permit for Discharges from Hydrostatic Testing of Tanks and Pipelines (PAG-10) from

the PADEP, ESC Plan review and ESCGP-2 authorization from Delaware County Conservation District, a NJDEP Waterfront Development Permit, and Hydrostatic Test Water Discharges (BG) permit from the NJDEP and ESC Plan certification from the Gloucester County Soil Conservation District. Additional authorization and permits are required from the USACE and NJDEP for approval of the removal of the existing pipelines located in the channel portion of the river. Docket approval is contingent upon the docket holder obtaining these approvals and this docket approval is subject to the conditions of these approvals (Condition C.I.a.).

The project is designed to conform to the requirements of the *Water Code* and *Water Quality Regulations* of the DRBC.

The project does not conflict with the Comprehensive Plan and is designed to prevent substantial adverse impact on the water resources related environment, while sustaining the current and future water uses and development of the water resources of the Basin.

C. DECISION

I. Effective on the approval date for Docket No. D-2016-010-1, the project and appurtenant facilities as described in the Section A “Physical features” are approved pursuant to Section 3.8 of the *Compact*, subject to the following conditions:

a. Docket approval is subject to all conditions, requirements, and limitations imposed by the USACE, PADEP and NJDEP, Delaware County Conservation District, and Gloucester County Soil Conservation District.

b. The facility and operational records shall be available at all times for inspection by the DRBC.

c. The facility shall be operated at all times to comply with the requirements of the *Water Code* and *Water Quality Regulations* of the DRBC.

d. Used drilling mud and solids from the drilling process shall be disposed of at a state approved disposal facility.

e. Within 30 days of completion of construction of the approved project, the docket holder is to submit to the attention of the Project Review Section of DRBC a Construction Completion Statement (“Statement”) signed by the docket holder’s professional engineer for the project. The Statement must (a) either confirm that construction has been completed in a manner consistent with any and all DRBC-approved plans or explain how the as-built project deviates from such plans; (b) report the project’s final construction cost as such cost is defined by the project review fee schedule in effect at the time application was made; and (c) indicate the date on which the project was (or is to be) placed in operation. In the event that the final project cost exceeds the estimated cost used by the applicant to calculate the DRBC project review fee, the statement must also include (d) the amount of any outstanding balance owed for DRBC review. Such outstanding balance will equal the difference between the fee paid to the Commission and

the fee calculated on the basis of the project's final cost, using the formula and definition of "project cost" set forth in the DRBC's project review fee schedule in effect at the time application was made.

f. This approval of the construction related to the facilities described in this docket shall expire three years from the approval date below unless prior thereto the docket holder has commenced operation of the subject project or has expended substantial funds (in relation to the cost of the project) in reliance upon this docket approval.

g. Sound practices of excavation, backfill and reseeding shall be followed to minimize erosion and deposition of sediment in streams from any new facilities or repair related construction.

h. Nothing herein shall be construed to exempt the docket holder from obtaining all necessary permits and/or approvals from other State, Federal or local government agencies having jurisdiction over this project.

i. The docket holder is permitted to provide the water approved in this docket to the areas included in Section A.3. Area Served of this docket. Any expansion beyond those included in Section A.3. Area Served is subject to DRBC review and approval in accordance with Section 3.8 of the *Compact*.

j. The issuance of this docket approval shall not create any private or proprietary rights in the waters of the Basin, and the Commission reserves the rights to amend, alter or rescind any actions taken hereunder in order to insure the proper control, use and management of the water resources of the Basin.

k. The Executive Director may modify or suspend this approval or any condition thereof, or require mitigating measures pending additional review, if in the Executive Director's judgment such modification or suspension is required to protect the water resources of the Basin.

l. Any person who objects to a docket decision by the Commission may request a hearing in accordance with Article 6 of the *Rules of Practice and Procedure*. In accordance with Section 15.1(p) of the Delaware River Basin Compact, cases and controversies arising under the Compact are reviewable in the United States district courts.

BY THE COMMISSION

APPROVAL DATE: September 13, 2017