



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

8701 South Gessner, Suite 1110
Houston, TX 77074

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 20, 2013

Mr. Doug Chabino
Director, Asset Integrity
Magellan Midstream Partners, L.P.
One Williams Center
Tulsa, OK 74172

RE: East Houston to 9th Avenue Longhorn Pipeline South - LMP Change

Dear Mr. Chabino:

The Pipeline and Hazardous Materials Safety Administration (PHMSA) received from Magellan Midstream Partners a request dated July 1, 2013, concerning the Longhorn Pipeline proposed system capacity increase from 225,000 barrels per day (bpd) to 360,000 bpd. The portion of the Longhorn Pipeline that the capacity increase would be applicable is approximately 9 miles of 20-inch pipeline located from the East Houston Terminal to 9th Avenue Junction. The Longhorn Pipeline capacity increase would be conducted in accordance with Longhorn Mitigation Plan (LMP) Item 39.

The Longhorn Pipeline from Crane, Texas to Houston, Texas delivers crude oil to the East Houston Terminal and Pumping Station. From the East Houston Pumping Station crude oil is re-originated on the crude oil distribution system south to multiple refineries in Pasadena and points south as far as Texas City. The portion of the Longhorn Pipeline distribution system that is subject to the LMP is approximately 9 miles of 20-inch pipeline installed in 1998 from the East Houston Terminal to a point called 9th Avenue Junction, from where the crude oil continues to Speed Junction in the 20-inch Longhorn Pipeline installed in 2012 that is not subject to the terms of the Longhorn Mitigation Plan.

On October 12, 2012, Magellan submitted proposed surge mitigation measures for the Longhorn Pipeline, including the approximately 9 miles of 20-inch pipeline currently covered under the LMP from East Houston to Speed Junction. PHMSA approved the surge mitigation measures by letter dated January 25, 2013. In the July 1, 2013 request, Magellan submitted these mitigation measures that will prevent pipeline surge pressures from exceeding allowable maximum operating pressure (MOP) limits at a flow capacity of 360,000 bpd. The LMP does not currently describe a system capacity above 225,000 bpd on the portion of the Longhorn Pipeline south of East Houston. Therefore, Magellan proposes adding the following language to the System Description in Section 2.1 of the Longhorn Mitigation Plan:

The pipeline system from East Houston South to 9th Street Junction has a system capacity of 360,000 barrels per day. The crude oil is delivered via the Longhorn South System to Magellan's Speed Junction where it is then further distributed to refineries and pipeline systems in the Gulf Coast Area.

The following physical changes were made as part of the reversal project described in the December 2012 EA:

East Houston

- *Install mainline pumping units*
- *Install outbound metering to achieve higher rates and pressures*
- *Install manifold and piping to connect crude tanks to mainline units*

East Houston to Speed Junction

- *Hydrostatically tested the Longhorn 20" from East Houston to 9th street in conjunction with the pressure testing of the pipeline installed in 2012.*

PHMSA has reviewed the information submitted by Magellan and PHMSA has no objection to this change in the LMP Commitment Item 39 subject to the provision that 100% MOP shall not be exceeded in accordance with LMC 9, as applicable, and that the existing terms and conditions of the LMP remain in full force and effect. Magellan should perform a review of the applicable portions of its Longhorn Pipeline Facility Response Plan and resubmit for PHMSA approval, if substantial changes are made.

Thank you for your cooperation in this matter. Should you have any questions, you may contact Mr. Bill Lowry of my staff at 713-272-2845.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. M. Secley".

R. M. Secley
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration

cc:

File (OPID 22610, Unit ID 21154)

Amelia Samaras

Lawrence White