



U.S. Department
Of Transportation
**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.989.2171

WARNING LETTER

OVERNIGHT EXPRESS DELIVERY

June 12, 2014

Mr. J. Drake
VP, Operations & EHS
Texas Eastern Transmission, LP
5400 Westheimer Court
Houston, TX 77056-5310

CPF 1-2014-1006W

Dear Mr. Drake:

On July 15, 2008, pursuant to 49 U.S.C. §60118(c) and 49 C.F.R. §190.341, Texas Eastern Transmission, LP (TETLP) filed a special permit request with the Pipeline & Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), for a waiver from certain provisions of 49 C.F.R. § Part 192. On July 31, 2009, PHMSA issued an order granting TETLP a special permit with certain conditions and limitations (Order). *See* PHMSA-2008-0188.

Concluding on May 14, 2014, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, inspected the pipeline procedures and records of TETLP to confirm the company's compliance with the Order.

As a result of the inspection, it appears that TETLP has committed probable violations of the Order. As stated in 49 C.F.R. §190.203(f), when information obtained from an inspection indicates that further OPS action is warranted, OPS may initiate one or more enforcement proceedings prescribed in §190.207 through 190.235.

The items inspected and the probable violations are:

1. Condition 3

TETLP must perform a close interval survey (CIS) of the Grantville CSD 24-inch Line 12 pipeline along the entire length of all special permit inspection areas no later than one year after the grant of this special permit and remediate any areas of inadequate cathodic protection.

A CIS and remediation need not be performed if TETLP has performed a CIS and remediation on the Grantville CSD 24-inch Line 12 pipeline along the entire length of all special permit inspection areas less than four years prior to the grant of this special permit. If factors beyond TETLP's control prevent the completion of the CIS and remediation within one year, a CIS and remediation must be completed as soon as practicable and a letter justifying the delay and providing the anticipated date of completion must be submitted to the Director, PHMSA Eastern Region no later than one year after the grant of this special permit.

TETLP failed to send a letter to the Director, PHMSA Eastern Region no later than one year after the grant of this special permit justifying the delay in completing remediation of low cathodic protection readings identified during the close interval survey (CIS), and providing the anticipated remediation completion date.

The special permit was granted July 31, 2009. TETLP completed the CIS on November 20, 2009, however TETLP failed to submit a letter justifying the delay by July 31, 2010.

2. Condition 27

Certification: A senior executive officer of TETLP must certify in writing the following:

- a) TETLP pipeline special permit inspection areas and special permit segments meet the conditions described in this special permit,**
- b) The written manual of O&M procedures for the TETLP pipeline has been updated to include all additional operating and maintenance requirements of this special permit; and**
- c) TETLP has implemented all conditions as required by this special permit.**

TETLP must send a copy of the certification required in Condition 27 with the required senior executive signature and date of signature to the Director, PHMSA Eastern Region within one year of the date of this special permit.

TETLP failed to certify in writing that they implemented all conditions as required by this special permit in Condition 27(c).

The certification, with the required senior executive signature and date of signature, was due on July 31, 2010, one year after the special permit was granted on July 31, 2009.

3. Condition 13

TETLP must give a minimum of 14 days advance notice to the Director, PHMSA Eastern Region to enable him/her to observe the excavations relating to Conditions 5, 6 (b), 19,20,21,22,23 and 24 of field activities in the special permit segments and/or special permit inspection areas.

Immediate response conditions do not require a 14-day advance notice, but the Director, PHMSA Eastern Region should be notified by TETLP no later than two business days after the immediate condition is discovered.

TETLP performed two excavations relating to Conditions 5, 6 (b), 19, 20, 21, 22, 23 and 24 of field activities in the special permit segments and/or special permit inspection areas and failed to notify the PHMSA ER in advance of the excavation.

There were 2 excavations completed on April 7, 2010, and April 15, 2010, respectively. TETLP did not provide notices of any kind to the Director, PHMSA Eastern Region.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the items identified in this letter. Failure to do so will result in TETLP being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, please address your correspondence to: Byron Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628 and please refer to **CPF 1-2014-1006W**. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

Additionally, if you choose to respond to this (or any other case), please ensure that any response letter pertains solely to one CPF case number.

Sincerely,

Byron Coy, PE
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration