



Via Email to Gregory.Ochs@DOT.gov

December 30, 2021

Mr. Gregory A. Ochs
Director, Central Region
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
901 Locust Street, Suite 462
Kansas City, MO 64106

**Re: CPF No. 3-2021-089-NOPV
Response to NOPV**

Dear Mr. Ochs:

On November 30, 2021, the Pipeline and Hazardous Materials Safety Administration (PHMSA or the Agency) issued a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (collectively, NOPV) to Tallgrass Energy, LP (Tallgrass or the Company) in the above captioned case. PHMSA alleged two violations of 49 C.F.R. § 195.264. Tallgrass does not contest either violation, and will take the corrective measures set out in the proposed compliance order. Tallgrass respectfully requests that PHMSA reduce the civil penalty for Item 1 due to an oversight in the determination of penalty points under the gravity criteria.

Tallgrass requests confidential treatment of Attachment 1 in accordance with 5 U.S.C. § 552(b) and 49 C.F.R. § 190.343. Attachment 1 contains confidential commercial information and specific facility location information protected from release under 5 U.S.C. §§ 552(b)(4) and 552(b)(7)(F).

Item 1 and 2: Allegation

Tallgrass does not contest either allegation.

Item 1 Proposed Civil Penalty:

Tallgrass respectfully requests that PHMSA reduce the civil penalty for Item 1. PHMSA proposed a civil penalty of \$59,400 for Item 1 specifically related to certain tanks at the Grasslands and Buckingham terminals.¹ In the Violation Report and Civil Penalty Worksheet, PHMSA indicated that the Grasslands and Buckingham Terminals are located in, or could affect, a high consequence area (HCA),² and, as a result, the agency added 17 gravity points to the proposed

¹ NOPV at 2-3.

² Civil Penalty Worksheet at 1; Violation Report at 9. Section E6 of the Violation Report provides that the Grasslands and Buckingham Terminals are located within, or could affect an HCA.

penalty.³ PHMSA did not provide any evidence to demonstrate the HCA status of the Grasslands and Buckingham Terminals.

The Grasslands and Buckingham tanks are not located in HCAs, nor could they affect HCAs. In accordance with its Facility IMP, Tallgrass conducts an annual analysis to determine if its non-line pipe facilities are in, or could affect, an HCA. These annual analyses have consistently determined that neither of these facilities are in or could affect an HCA. In the attachment to this letter, Tallgrass is providing its most recent Pony Express Pipeline (PXP) facility HCA listing. This listing includes all of the PXP facilities that are in or could affect an HCA. As neither the Grasslands nor Buckingham facilities are in or could affect an HCA, they are not included in the attached.⁴

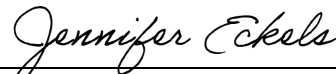
As a result, and because pipeline safety was minimally affected by the intermediate dike issue, Tallgrass respectfully requests that PHMSA reduce the gravity from 17 points to 1 point. At a point value of \$1,728, this change should result in a reduction of the penalty by **\$27,648**. As a result, the total civil penalty should be **\$31,795**.

Proposed Compliance Order:

Tallgrass will undertake the remedial efforts detailed in the Proposed Compliance Order.

Tallgrass shares PHMSA's commitment to pipeline safety and appreciates being afforded the opportunity to work with PHMSA to ensure the safe operation of our pipelines. If you need any additional information, please do not hesitate to contact me.

Sincerely,



Jennifer Eckels
Manager - Compliance
370 Van Gordon Street
Lakewood, CO 80228
Phone: (303) 763-3486

CC: Tallgrass: Byron Gale, Jay Meyers, Jarid Kling, Nicole Longwell, Crystal Heter
PHMSA: Gabriel Hodill, James Bunn

Enclosure: Attachment 1: 2021 Pony Express Pipeline Facility Equipment Maintenance Plan

³ Civil Penalty Worksheet at 1.

⁴ Attachment 1.