



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

8701 S. Gessner, Suite 630
Houston, TX 77074

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED COMPLIANCE ORDER**

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

January 22, 2019

Graham Bacon
Group Senior Vice President
Enterprise Products Operating, LLC
1100 Louisiana Street
Houston, Texas 77002

CPF-4-2019-5001

Dear Mr. Bacon:

From November 27, 2017 to June 28, 2018, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your Enterprise Products Operating LLC (Enterprise) procedures for the Enterprise Texas Express System.

As a result of the inspection, it is alleged that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violations are:

§195.402 Procedural manual for operations, maintenance, and emergencies.

(c) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations:

(3) Operating, maintaining, and repairing the pipeline system in accordance with each of the requirements of this subpart and subpart H of this part.

Enterprise failed to follow Enterprise written procedures STD.2600 Fencing Section 3.8(2)(a) Gate Locations which states “Emergency exit gates shall be provided with panic hardware that allows the worker to exit without a key, but provides facility security from the exterior.” Four Main Valve locations on the Texas Express System had emergency gates chained and padlocked preventing a keyless exit as required.

During the inspection PHMSA identified four Main Valve locations where locks were in place to prevent unauthorized entry by people or cows. At Main Valve 44, Main Valve 49, Main Valve 51 and Main Valve 53, Enterprise locked each emergency gate preventing them from providing keyless exit, as intended. Rather than making appropriate repairs or modifications so that the gate functioned as intended, Enterprise locked the gates preventing them from providing keyless exit.

2. §195.403 Emergency response training

(b) At intervals not exceeding 15 months, but at least once each calendar year, the operator shall:

(1) Review with personnel their performance in meeting the objectives of the emergency response training program set forth in paragraph (a) of this section; and

Enterprise failed to complete a review of a supervisor’s performance in meeting the requirements of their Emergency Response Training program as prescribed by §195.403(b)(1). An Enterprise supervisor exceeded the allowed 15 months interval between emergency response training by 1 month and 15 days, receiving training on May 12, 2015 and September 27, 2016.

Proposed Compliance Order

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$213,268 per violation per day the violation persists, up to a maximum of \$2,132,679 for a related series of violations. For violations occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 for a related series of violations.

We have reviewed the circumstances and supporting documents involved in this case, and have decided not to propose a civil penalty assessment at this time.

With respect to item 1 pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Enterprise Products Operating, L.L.C. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Warning Items

With respect to item 2 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 promptly correct this item. Failure to do so may result in additional enforcement action.

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. All material you submit in response to this enforcement action may be 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).

Following the receipt of this Notice, you have 30 days to submit written comments, or request a hearing under 49 CFR § 190.211. If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order. If you are responding to this Notice, we propose that you submit your correspondence to my office within 30 days from receipt of this Notice. This period may be extended by written request for good cause.

In your correspondence on this matter, please refer to **CPF-4-2019-5001** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Mary D. McDaniel, P.E.
Regional Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Compliance Proceedings

Proposed Compliance Order

Pursuant to 49 United States Code §60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Enterprise Products Operating LLC a Compliance Order incorporating the following remedial requirements to ensure the compliance of Enterprise Products Operating LLC (Enterprise) with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to Enterprise's failure to adhere to STD.2600 Fencing procedure, Enterprise must ensure all Emergency Gates are secured against outside entry and panic hardware capable of functioning as prescribed in STD.2600 Fencing at all times.
2. Within 60 days following the receipt of a Final Order, Enterprise must provide PHMSA Southwest Region with documentation that verifies completion of Item Number 1.
3. It is requested (not mandated) that Enterprise maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to the Regional Director, Southwest, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.