



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

November 4, 2019

A.J. Teague
Director and Chief Executive Officer
Enterprise Products Partners, L.P.
1100 Louisiana Street
Houston, Texas 77002

CPF 4-2019-5021

Dear Mr. Teague:

From March 25 through August 9, 2019, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected your subsidiary, Enterprise Products Operating, LLC,'s (Enterprise) procedures, records, and facilities for the Rio Grande Pipeline System in West Texas.

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

1. **§ 195.402 Procedural manual for operations, maintenance, and emergencies.**

- (a) **General.** Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to ensure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.

Enterprise failed to follow its written manual of procedures for conducting maintenance activities. Specifically, it failed to follow its Engineering Standards 9006, Pipeline Defect Evaluation and Repair (STD 9006), Section 5.0 Available Repair Methods. The procedure addresses the use of a bolt-on clamp (such as a PLIDCO) as a temporary repair method. Engineering Standards 9006, page 12 Matrix Table, states a mechanical bolt on clamp such as a PLIDCO clamp is to be utilized as a temporary repair.

On May 20, 2015, Enterprise repaired a girth weld leak with a temporary bolt on PLIDCO clamp. Enterprise's Form 140-Maintenance Report AFE No. A-20060 indicated the repair was made on May 20, 2015, and states "a temporary PLIDCO clamp was installed over GW 41120 for operations to be cut out at a later time." As of the date of the inspection, the PLIDCO repair had not been replaced with a permanent method of repair.

Proposed Compliance Order

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed \$213,268 per violation per day, with a maximum penalty not to exceed \$2,132,679. For violation 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. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Enforcement Proceedings*. Please refer to this document and note the response options. 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).

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 4-2019-5021** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



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

cc: Graham Bacon, Executive Vice President, Operations & Engineering, Enterprise Products Operating, LLC, 1100 Louisiana Street, Houston, TX 77002

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

PROPOSED COMPLIANCE ORDER

Pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Enterprise Products Operating, LLC, (Enterprise) a Compliance Order incorporating the following remedial requirements to ensure the compliance of 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 9006 Pipeline Defect Evaluation and Repair, Enterprise must replace, on its Rio Grande Pipeline System, the PLIDCO clamp with a permanent repair method or, perform an acceptable option for making bolt-on clamps a permanent repair, as prescribed in STD 9006.
2. Enterprise shall review previous repairs made on its pipeline systems in the past five years to determine if any temporary repairs remain. Enterprise shall provide a list of those temporary repairs identified along with its plans for remedial action.
3. Enterprise shall revise its procedure STD 9006 to include a time frame for making permanent repairs or accepting the repair as permanent per its existing procedure.
4. Within 90 days following the receipt of a Final Order, Enterprise must provide PHMSA Southwest Region with documentation that verifies completion of in Items 1-3 of this compliance order.
5. 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 Mary L. McDaniel, P.E., Director, Southwest Region, PHMSA. 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.