



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

February 18, 2020

Barry E. Davis
Chairman and CEO
EnLink Midstream, LLC
1722 Routh St., Suite 1300
Dallas, Texas 75201

CPF 4-2020-5006

Dear Mr. Davis:

On multiple dates between February 11 and July 25, 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 EnLink Midstream, LLC's (EnLink) Cajun Sibon NGL Pipeline System located in Texas and Louisiana.

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. §195.452 Pipeline integrity management in high consequence areas.

(f) What are the elements of an integrity management program? An integrity management program begins with the initial framework. An operator must continually change the program to reflect operating experience, conclusions drawn from results of the integrity assessments, and other maintenance and surveillance data, and evaluation of consequences of a failure on the high consequence area. An

operator must include, at minimum, each of the following elements in its written integrity management program:

- (6) Identification of preventive and mitigative measures to protect the high consequence area (see paragraph (i) of this section);
- (i) What preventive and mitigative measures must an operator take to protect the high consequence area?—
- (4) Emergency Flow Restricting Devices (EFRD). If an operator determines that an EFRD is needed on a pipeline segment to protect a high consequence area in the event of a hazardous liquid pipeline release, an operator must install the EFRD. In making this determination, an operator must, at least, consider the following factors—the swiftness of leak detection and pipeline shutdown capabilities, the type of commodity carried, the rate of potential leakage, the volume that can be released, topography or pipeline profile, the potential for ignition, proximity to power sources, location of nearest response personnel, specific terrain between the pipeline segment and the high consequence area, and benefits expected by reducing the spill size.

EnLink's integrity management program failed to include an element required in § 195.452(f)(6) of identifying preventative and mitigative measures necessary to protect high consequence areas (HCAs). Enlink failed to identify preventative and mitigative measures for its Cajun Sibon NGL Pipeline System to determine if Emergency Flow Restricting Devices (EFRDs) were needed on its pipeline segments to protect high consequence areas in event of hazardous liquid pipeline release. Section 195.452(i)(4) requires operators to take measures to prevent and mitigate the consequences of a pipeline failure in HCAs, including determine whether EFRDs are needed.

EnLink's written Liquid Integrity Management Plan (IMP) states:

7.11 EFRD Need Evaluation Factors

Outputs from both the HCA and risk analysis and other factors as described in 49 CFR §195.452(i)(4) are reviewed by EnLink to determine the feasibility of risk reductions by the relocation or addition of emergency flow restriction devices (EFRDs). ENLINK LIMP Form 108, EFRD Evaluation, provides a more detailed discussion of the EFRD evaluation process.

In accordance with PHMSA guidance, when EnLink determines that EFRDs are needed on a pipeline segment to mitigate the effects of a hazardous liquid pipeline release in an HCA, they are installed.

During the inspection, the PHMSA inspector learned that EnLink failed to perform its initial EFRD evaluation on its IP-1000 pipeline to consider the following factors:

- The swiftness of leak detection and pipeline shutdown capabilities
- The type of commodity carried, the rate of potential leakage
- The volume that can be released

- Topography or pipeline profile
- The potential for ignition, proximity to power sources
- Location of nearest response personnel
- Specific terrain between the pipeline segment and the high consequence area.

EnLink failed to implement a process for the evaluation, identification, and implementation of preventive and mitigative measures to protect the HCAs of its pipeline system as required by §195.452(f)(6) and §195.452(i)(4).

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 EnLink Midstream, LLC. 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 4-2020-5006** 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: Michael LeBlanc, Sr. Vice President, Operations, EnLink Midstream, LLC, 1722 Routh St, Suite 1300, Dallas, Texas 75201

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 EnLink Midstream, LLC a Compliance Order incorporating the following remedial requirements to ensure the compliance of EnLink Midstream, LLC (EnLink) with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to EnLink's failure to determine if EFRDs were needed on pipeline segments to protect high consequence areas in event of hazardous liquid pipeline release, EnLink must perform a study. The study must consider the factors listed in § 195.452(i)(4) to protect current high consequence area to enhance public safety.
2. EnLink must complete Item 1 in 90 days after receipt of a Final Order.
3. It is requested (not mandated) that EnLink maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Mary McDaniel, Director, Southwest Region, 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.