



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

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

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED CIVIL PENALTY**

OVERNIGHT EXPRESS MAIL

December 18, 2012

Mr. Terry L. Hurlburt
Senior Vice President - Operations
Enterprise Products Operating LLC
1100 Louisiana Street
Houston, Texas 77002-5227

CPF 1-2012-5022

Dear Mr. Hurlburt:

Between July 12 - 27, 2011, representatives of the New York State Department of Public Service (NYSDPS), acting as agents for the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code, inspected Enterprise Products Operating LLC (EPCO), P-40 and P-41 pipeline facilities located in Watkins Glen, New York.

As a result of the inspection, it appears that you have committed probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation is:

1. § 195.579 What must I do to mitigate internal corrosion?

(c) *Removing pipe.* Whenever you remove pipe from a pipeline, you must inspect the internal surface of the pipe for evidence of corrosion. If you find internal corrosion requiring corrective action under §195.585, you must investigate circumferentially and longitudinally beyond the removed pipe (by visual examination, indirect method, or both) to determine whether additional corrosion requiring remedial action exists in the vicinity of the removed pipe.

In 2010, EPCO failed to inspect the internal surface of the pipe for evidence of corrosion when they relocated a portion of the EPCO P-40 Pipeline to facilitate a New York State Department of Transportation (DOT) Road Improvement Project at NYS Route 15, located about 3.5 miles north of the Pennsylvania state border at Stowell Road, Lindley, NY.

EPCO could produce no records for the NYSDPS representatives during the July 12-15, 2011 records audit to demonstrate that the required EPCO inspection had occurred for the presence of internal corrosion on the internal surface of the removed pipe, at the tie-in points on the pipeline; or if any internal surface corrosion was found, documentation that EPCO had investigated circumferentially and longitudinally beyond the removed pipe to determine whether additional corrosion requiring remedial action existed in the vicinity of the removed pipe.

Proposed Civil Penalty

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. The Compliance Officer has reviewed the circumstances and supporting documentation involved in the above probable violation(s) and has recommended that you be preliminarily assessed a civil penalty of \$26,200 as follows:

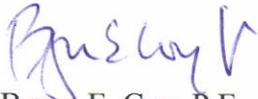
<u>Item number</u>	<u>PENALTY</u>
1	\$26,200

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. 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). 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.

Please submit all correspondence in this matter to Byron Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628. Please refer to **CPF 1-2012-5022** on each document you submit, and please whenever possible provide a signed PDF copy in electronic format. Smaller files may be emailed to Byron.Coy@dot.gov. Larger files should be sent on a CD accompanied by the original paper copy to the Eastern Region Office.

Sincerely,

A handwritten signature in blue ink, appearing to read "Byron E. Coy".

Byron E. Coy, P.E.
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

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

Cc: Mr. Kevin Speicher, NYSDPS