



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

233 Peachtree Street Ste. 600
Atlanta, GA 30303

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

May 5, 2010

Garry Worone
Director, Operations Services
Enbridge Pipelines (AlaTenn) LLC
1100 Louisiana Street
Suite 3300
Houston, Texas 77002

CPF 2-2010-1007W

Dear Mr. Worone:

On August 10-13, 2009, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your AlaTenn Pipeline procedures and records in Muscle Shoals, Alabama; and pipeline facilities in the states of Tennessee, Mississippi and Alabama.

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

1. **§192.707 Line markers for mains and transmission lines.**
 - (a) **Buried pipelines. Except as provided in paragraph (b) of this section, a line marker must be placed and maintained as close as practical over each buried main and transmission line:**
 - (1) **At each crossing of a public road and railroad; and**
 - (2) **Wherever necessary to identify the location of the transmission line or main to reduce the possibility of damage or interference.**

During the field inspection, inadequate marker placement was observed at the following Mississippi locations; both locations were accessible to the public:

- (1) LN 100 right-of-way in the upstream and downstream directions at the Tombigbee River (Tenn-Tom Waterway East).
- (2) LN 100 right-of-way in the downstream direction at the Lockheed Meter Station.

2. **§192.479 Atmospheric corrosion control; General.**

(a) Each operator must clean and coat each pipeline or portion of pipeline that is exposed to the atmosphere, except pipelines under paragraph (c) of this section.

(b) Coating material must be suitable for the prevention of atmospheric corrosion.

During the field inspection in Mississippi and Alabama, atmospheric corrosion and/or failed coating was observed at two (2) locations:

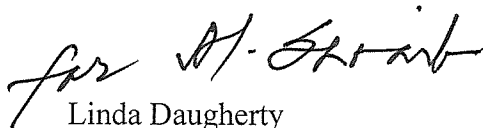
(1) In Mississippi, at the Iuka/Tishomingo Meter Station, surface corrosion was observed on meter station piping, studs, stud bolts, flange faces and pipe supports.

(2) In Alabama, at the Pride Area Valve Setting (gas delivery point for Sheffield Gas Department Gate Station No. 4), failed coating and atmospheric corrosion were observed on LN102 valve (16-in) blow-down piping.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any related series of violations. 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 correct the item(s) identified in this letter. Failure to do so will result in Enbridge Pipelines (Ala Tenn) LLC being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 2-2010-1007W**. 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).

Sincerely,



Linda Daugherty
Director, Southern Region
Pipeline and Hazardous Materials Safety Administration

cc:

Floyd Odenwelder
Operations Superintendent
American MidStream Partners, LP
3230 Second Street
Muscle Shoals, AL 35662