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**By Electronic Mail**

June 11, 2020

Mr. James A. Urisko  
Director, Southern Region  
Office of Pipeline Safety  
Pipeline and Hazardous Materials Safety Administration  
Department of Transportation  
230 Peachtree Street, NW  
Suite 2100  
Atlanta, GA 30303

Ms. Mary McDaniel  
Director, Southwest Region  
Office of Pipeline Safety  
Pipeline and Hazardous Materials Safety Administration  
Department of Transportation  
8701 S. Gessner Road, Suite 630  
Houston, TX 77074

Re: Texas Eastern Transmission, L.P.  
Second Amended Corrective Action Order, CPF 2-2019-1002H

Dear Mr. Urisko and Ms. McDaniel:

Texas Eastern Transmission, LP (TETLP or the Company) takes its pipeline safety obligations seriously and appreciates the willingness of the Pipeline and Hazardous Materials Safety Administration (PHMSA or the Agency) to meet with the Company on June 9 and 10, 2020, to discuss the above referenced matter. TETLP further appreciates the Agency's coordination in responding to and addressing issues associated with an August 1, 2019 incident and a May 4, 2020 incident. As summarized below and as discussed with PHMSA over the past two days, there are a number of items in the Second Amended Corrective Action Order (Second ACAO) that warrant clarification or modification. Of those, only one issue critical to TETLP's implementation of the Second ACAO remains as yet unresolved: the prior in-line inspection (ILI) results review. Subject to resolving this issue, TETLP is willing to accept the terms of the Second ACAO as issued without admitting or denying the factual and legal allegations set forth therein. In the event that agreement on this key clarification cannot be reached, however, with this letter TETLP expressly reserves its right to request a hearing pursuant to 49 C.F.R. § 190.233(b)-(c). In order to allow for further discussion between the parties on this one remaining issue, TETLP timely requests an extension of time to request a hearing.

## **Background**

On August 8, 2019, PHMSA issued a Corrective Action Order (CAO) to TETLP in response to the August 1, 2019 incident near Lincoln County, Kentucky on Line 15 (Failure 1). An Amended Corrective Action Order (ACAO) was issued to TETLP on April 28, 2020 to update the CAO with actions taken by TETLP in response to Failure 1, and which stated that “*the location of the Line 15 failure origin coincided with the locations of two newly discovered hard spot indications.*” On June 1, 2020, PHMSA issued a Second ACAA to include actions to address the May 4, 2020 incident near Hillsboro, Kentucky on Line 10 (Failure 2), and which noted that the cause appears to be “*due to land movement.*”

The Second ACAA encompasses both Failure 1 and Failure 2; as such it addresses two different potential failure causes, and as written it applies to the entirety of TETLP’s 775 mile pipeline system from Mississippi to Pennsylvania, including Lines 10, 15, and 25. At the June 9 and 10, 2020 meetings, TETLP discussed with PHMSA various clarifications regarding pressure restriction and restoration, the scope of certain corrective actions, the approach to Remedial Work Plans (RWP), documentation requirements, and factual corrections and other drafting errors. Obtaining clarity on these requirements is important as TETLP implements the Second ACAA obligations, and in light of the severe market impacts of the pressure restrictions specified by the Second ACAA.

## **Remaining Issue for Resolution: Review of Prior ILI Results (¶ 20, p. 16)**

Clarification of the obligation set forth in the Second ACAA to review 20 years of prior ILI results for Failure 2 is critical to TETLP’s implementation of the Second ACAA to ensure that this corrective action is necessary and warranted based on the suspected failure cause and that it leads to relevant beneficial pipeline safety information. By statute, corrective actions imposed by PHMSA under a CAO must be necessary, which typically results in corrective measures that are targeted towards identifying similar characteristics or suspected causal factors to the failed pipe. 49 U.S.C. § 60112(d)(1) (authorizing PHMSA to “*order an operator to take necessary corrective action.*”).

This requirement was applied in Failure 1 in the original CAO and ACAA due to the relationship between ILI analysis and the probable Failure 1 cause. The cause of Failure 2 is related to land movement, however, and the raw data analysis of the MFL ILI data does not provide additional insight into the factors associated with land movement related failures. Further, this requirement represents a significant effort and would require redirecting key staff from completing required tasks associated with the current ILI program to perform this historic analysis with little or no value to this specific failure.

TETLP has employed qualified axial MFL ILI analysts since 2015 and modified its Pipeline Integrity Program procedures to require enhanced survey analysis to be completed on all MFL runs since 2016. To the degree that there is interest in those analyses, TETLP will make the results of the enhanced survey analyses completed to date on the MFL tool runs available. Regarding ILI technologies other than axial MFL, TETLP relies on vendor quality control processes for data

analyses due to the highly specialized and proprietary nature of ILI raw data analysis for those applications. Consequently, TETLP does not have internal ILI analysts qualified to review ILI raw data on any of the other ILI technologies.

Based on the above, TETLP will continue to do ESA evaluations on an on-going basis pursuant to our procedures. We propose to make available enhanced survey analyses completed on Lines 10 and 25 MFL tool runs since 2016 to PHMSA upon request, as well as vendor reports for the most recent runs involving other technologies. We are proposing that no additional resources be diverted to conduct historic ILI raw data analyses.

### **Issues Previously Addressed with PHMSA**

As a result of discussions between PHMSA and TETLP on June 9 and 10, 2020, TETLP believes that the parties are in agreement regarding the clarifications and understandings summarized below. To the extent that PHMSA does not agree, TETLP believes that the parties can come to a mutual understanding during the course of implementation of the Second ACAO and a hearing would not be necessary on these issues.

- 1. Failure 2 Pressure Restriction (Second ACAO, ¶¶ 2, 14, 16, pp. 7-8, 13, 17):** Following discussions between PHMSA and TETLP and in response to a written request from TETLP for a modified pressure restriction, Director Urisko approved a modified pressure restriction under the Second ACAO for Line 10, Line 25, and portions of Line 15 via email dated June 10, 2020.
- 2. Pressure Restoration (Second ACAO, ¶¶ 3, 17, pp. 8, 16):** Upon PHMSA's approval of TETLP's request, PHMSA may authorize removal of pressure restrictions, whether permanent or temporary, for pipeline segments that are not susceptible to hard spot or land movement threats or where those threats have been mitigated. *Second ACAO*, ¶¶ 3(A), 17(A-B).
- 3. Affected Segment (Second ACAO, Definitions, p. 6):** There appear to be duplicative and confusing requirements set forth under Failure 1 and Failure 2 required corrective actions for the RWP. We will develop an RWP that addresses the applicable threats for all three lines, and will work with PHMSA to eliminate duplication.
- 4. MAOP Records Verification (¶ 19, p. 16):** TETLP will request an extension to August 31, 2020 to complete the Failure 2 MAOP records verification review, which is consistent with the timeframe that PHMSA approved for the Line 15 MAOP records verification.
- 5. Emergency Response Plan and Public Awareness Program Review (¶¶ 23-24, p. 16):** For purposes of complying with the review under Failure 2, ¶¶ 23-24, TETLP will supplement its ongoing emergency response and public awareness program review under Failure 1, ¶¶ 9-10 with information specifically related to the Failure 2 location.

6. **Corrective Action Order Documentation Report (Second ACAO ¶¶ 12, 26, pp. 12-13, 20-21):** TETLP will submit for PHMSA’s review and approval a single CDR upon completion of required corrective actions for both Failure 1 and Failure 2.
  
7. **Monthly Reports (Second ACAO ¶ 26, pp. 21):** TETLP will report progress and status updates with regard to corrective actions associated with Line 15 under Failure 1 and those corrective actions associated with land movement activities on Lines 10, 15 and 25 under Failure 2.
  
8. **Submission of Confidential Documentation (Second ACAO ¶ 30, p. 22):** For the documents that have been submitted to PHMSA in response to data requests associated with Failure 2, TETLP will continue to mark business confidential and security sensitive information by document label, and will provide PHMSA with redacted copies upon notice from PHMSA that a request under FOIA for those documents has been made.
  
9. **Factual Corrections and Other Errors:** Below are various corrections to factual corrections and other errors contained in the Second ACAO.

No.	Second ACAO Reference	TETLP Correction/Clarification
1.	“...TETLP personnel isolated Line 10 occurred at 5:05 PM.” (Second ACAO, p. 4)	Isolation of Line 10 occurred at 5:23 PM EST.
2.	“The line’s original MAOP was established at 1139 psig.” (Second ACAO, p. 4)	The MAOP of Line 10 is 936 psig.
3.	“At the time of Failure 2, Line 10 was operating at 954 psig.” (Second ACAO, p. 4)	The actual discharge pressure at the Wheelersburg compressor station at the time of Failure 2 was 858 psig.
4.	“The issue of land-movement is potentially systemwide as evidenced by inertial measurement unit testing already completed by the operator.” (Second ACAO, p. 5)	Land movement is a potential threat within the states of Kentucky, Ohio, West Virginia, and Pennsylvania. The land movement threat is not a significant concern for much of the TETLP system and it is not “system wide.”
4.	“...approval of the Restart Plan was given to TETLP to return the pipeline to the pre-Failure operating pressure on March 20, 2020” (Second ACAO, ¶ 2(A) p. 7-8)	TETLP received approval from PHMSA to return the Line 15 Failure 1 Isolated Segment to the restricted pressure by letter dated March 10, 2020.
5.	PHMSA defines Failure 1 Isolated Segment and Failure 2 Isolated Section, but paragraph 13 references “Isolated Section” (Second ACAO, Definitions, p. 6; ¶ 13)	The reference to Isolated Section is interpreted to mean “Isolated Segment.”
6.	The requirements for purposes of restart are duplicative for Line 10. (Second ACAO, Restart Plan ¶ 15(H), (I), p. 14)	TETLP will adhere to ¶ 15(H) for the Line 10 Failure 2 Isolated Segment and to ¶ 15(I) for the Line 15 Failure 2 Isolated Segment.

No.	Second ACAO Reference	TETLP Correction/Clarification
7.	Paragraph 26 outlines the Failure 2 CAO Documentation Report (CDR) requirement and a subsequent Paragraph 26 outlines the Failure 2 reporting requirements. ( <i>Second ACAO</i> , ¶ 26, pp. 20-21)	In correspondence with PHMSA, TETLP will specify the relevant paragraph by the number and topic at issue.

**Summary**

TETLP is submitting this response to the Second ACAO in order to ensure that the one remaining critical issue regarding the extensive ILI review can be fully evaluated and discussed with PHMSA. In the event that agreement on this issue cannot be reached, however, TETLP reserves its right to request a hearing under 49 C.F.R. § 190.233(b)-(c) to discuss the revisions in more detail and to request relief as justice may require. Toward that end, TETLP requests an extension of the time to request a hearing to allow the parties additional time for discussion of the ILI review and to avoid a hearing. TETLP is also submitting this response to memorialize the clarifications, revised timelines, and factual corrections discussed with PHMSA during the parties' meetings on June 9 and 10, 2020, and for which TETLP believes the parties are in agreement.

Thank you for your consideration of this response and request. If you have any questions, please do not hesitate to contact me. TETLP appreciates your cooperation in response to these incidents.

Sincerely,



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J. Andrew Drake, P.E.  
Vice President, Asset Integrity

- cc: Mr. Alan Mayberry, Associate Administrator for Pipeline Safety, PHMSA  
Ms. Linda Daugherty, Deputy Associate Administrator for Field Operations, PHMSA  
Mr. Rick Kivela, Manager Operational Compliance, Enbridge Inc.  
Ms. Catherine Little, Troutman Sanders, LLP