

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

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

May 28, 2019

Graham Bacon
Executive Vice President, Operations and Engineering
Enterprise Products Operating LLC
1100 Louisiana Street
Houston, Texas 77002

CPF 3-2019-5019

Dear Mr. Bacon:

On January 3, 2019, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.) reviewed and inspected the supplemental and final Accident Report DOT Form 7000-1 (DOT No. 20160413 – 21972), which Enterprise Products Operating, LLC (Enterprise) filed electronically on January 2, 2019. Enterprise submitted the original Accident Report DOT Form 7000-1 on December 19, 2016, following a rupture and fire on your East Red pipeline (Line ID 603) on November 29, 2016 in Platte County, Missouri (Accident). The rupture resulted in a release of approximately 5,000 barrels of highly volatile liquid.

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 items inspected and the probable violation are:

1. **§195.54 Accident reports.**

(a) . . .

(b) Whenever an operator receives any changes in the information reported or additions to the original report on DOT Form 7000-1, it shall file a supplemental report within 30 days.

Enterprise failed to file a Supplemental Accident Report on DOT Form 7000-1 to PHMSA within 30 days of receiving changes or additions to the original report submitted using DOT Form 7000-1 related to the Accident. Enterprise submitted the original Accident Report on DOT Form 7000-1 to PHMSA on December 19, 2016, and then filed a Supplemental and Final DOT Form 7000-1 filed on January 2, 2019. However, a review of the Supplemental and Final Report DOT Form 7000-1 showed that Enterprise had received a significant amount of additional information regarding the Accident, which Enterprise failed to file in a supplement report within 30 days of receipt.

Specifically, Enterprise stated in a Quarterly Report submitted to PHMSA on April 13, 2017, that “[p]ipeline repairs and startup were completed on December 6, 2016.” Therefore, by April 13, 2017, Enterprise had received additional information to report under “Part D – Additional Consequence Information Question & Estimated cost to Operator” of DOT Form 7000-1. However, Enterprise first include this additional information in the Supplemental and Final Report filed on January 2, 2019, which was over 20 months after Enterprise received it.

Additionally, Enterprise received information from a metallurgical analysis report prepared by Kiefner dated March 28, 2017 related to the Accident. Information from the Kiefner report was also incorporated into Enterprise’s Failure Analysis Report dated June 14, 2017. These reports stated, “[t]he pipe rupture was due to external near-neutral stress corrosion cracking (SCC) along and adjacent to the Electronic Resistance Welded (ERW) seam.” Accordingly, the information included in these reports would necessitate Enterprise filing a supplemental report on DOT Form 7000-1. Specifically, this additional information addresses questions under Part G - Apparent Cause, in particular G5 – Material Failure of Pipe or Weld. However, Enterprise first included this additional information in the Supplemental and Final Report DOT Form 7000-1 filed on January 2, 2019, which was over 18 months after Enterprise received it.

In summary, Enterprise failed to submit a Supplemental Accident Report within 30 days, as required under § 195.54(b) after the pipeline repairs and start-up repairs were completed in December 2016, as well as after receiving Kiefner’s metallurgical analysis report dated March 28, 2017.

Proposed Civil Penalty

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$213,268 per violation per day the violation persists, up to a maximum of \$2,132,679 for a related series of violations. 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. The Compliance Officer has reviewed the circumstances and supporting documentation involved in the above probable violation and has recommended that you be preliminarily assessed a civil penalty of \$36,600.

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. All material submit in response to this enforcement action may be 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 the 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 3-2019-5019** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Allan C. Beshore
Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Administration

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