

WARNING LETTER

VIA ELECTRONIC EMAIL TO: Matthew.Ramsey@energytransfer.com ,
Gregory.Mcilwain@energytransfer.com , Jim.Wright@energytransfer.com and
Eric.Amundsen@energytransfer.com

October 29, 2020

Mr. Matt Ramsey
Chief Operating Officer
Energy Transfer Partners, LP
Panhandle Eastern Pipeline Co.
8111 Westerchester Drive
Dallas, TX 75225

CPF 3-2020-1011W

Dear Mr. Ramsey:

From March 18 through 22, 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 the records for your Panhandle Eastern Pipe Line Company, LP (PEPL) in Houston, Texas.

As a result of the inspection, it is alleged that you have committed probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The item inspected and the probable violation is:

1. **§192.919 What must be in the baseline assessment plan?**
 - (c) **A schedule for completing the integrity assessment of all covered segments, including risk factors considered in establishing the assessment schedule;**

PEPL failed to maintain its Baseline Assessment Plan (BAP) in accordance with §192.919. Specifically, PEPL's BAP did not include an updated schedule for completing integrity assessment for newly discovered high consequence areas (HCAs). As of the inspection, the 2016 version was the most current BAP, which did not include the new HCA on the Battle Creek 100 Line that was identified in December 2015.

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 conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item identified in this letter. Failure to do so will result in Panhandle Eastern Pipeline Co. 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 3-2020-1011W**. 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,

Gregory A. Ochs
Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Administration

cc:

Greg Mcilwain, SVP Hazardous Liquids, Gregory.Mcilwain@energytransfer.com
Jim Wright, Chief Compliance Officer, Jim.Wright@energytransfer.com
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