



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

January 14, 2021

VIA ELECTRONIC MAIL TO: gbacon@eprod.com

Mr. Graham Bacon
Executive Vice President and Chief Operating Officer
Enterprise Products Operating, LLC
1100 Louisiana Street
Houston, Texas 77002

Re: CPF No. 3-2020-5019

Dear Mr. Bacon:

Enclosed please find the Final Order issued in the above-referenced case. It makes one finding of violation and assesses a civil penalty of \$12,900. When the civil penalty has been paid, this enforcement action will be closed. Service of the Final Order by electronic mail is effective upon the date of transmission, as provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

ALAN KRAMER
MAYBERRY

Digitally signed by ALAN
KRAMER MAYBERRY
Date: 2021.01.13 11:22:32
-05'00'

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosures (Final Order and NOPV)

cc: Mr. Jeff Morton, Senior Director, Transportation Compliance, Enterprise Products
Operating, LLC, jcmorton@eprod.com
Mr. A.J. Teague, Director and Co-Chief Executive Officer, Enterprise Products Partners,
LP, ajteague@eprod.com

CONFIRMATION OF RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

_____)
In the Matter of)

Enterprise Products Operating, LLC,)
a subsidiary of Enterprise Products Partners, LP,)

Respondent.)
_____)

CPF No. 3-2020-5019

FINAL ORDER

On October 13, 2020, pursuant to 49 C.F.R. § 190.207, the Director, Central Region, Office of Pipeline Safety (OPS), issued a Notice of Probable Violation (Notice) to Enterprise Products Operating, LLC (Respondent). The Notice proposed finding that Respondent had violated the pipeline safety regulations in 49 C.F.R. Part 195 and proposed a civil penalty of \$12,900. Respondent did not contest either the allegation of violation or the proposed civil penalty.

Based upon a review of all of the evidence, pursuant to § 190.213, I find that Respondent violated the pipeline safety regulation listed below, as more fully described in the enclosed Notice, which is incorporated by reference:

49 C.F.R. § 195.452(h) (**Item 1**) — Respondent failed, for a period of five months, to implement a temporary pressure reduction after reporting to PHMSA the discovery of a safety-related condition that could lead to an imminent hazard.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent. In accordance with 49 C.F.R. § 190.223, Respondent is assessed a civil penalty amount of **\$12,900**.

Payment of the civil penalty must be made within 20 days of service. Federal regulations (49 C.F.R. § 89.21(b)(3)) require such payment to be made by wire transfer through the Federal Reserve Communications System (Fedwire), to the account of the U.S. Treasury. Detailed instructions are contained in the enclosure. Questions concerning wire transfers should be directed to: Financial Operations Division (AMK-325), Federal Aviation Administration, Mike Monroney Aeronautical Center, 6500 S MacArthur Blvd, Oklahoma City, Oklahoma 79169. The Financial Operations Division telephone number is (405) 954-8845.

Failure to pay the \$12,900 civil penalty will result in accrual of interest at the current annual rate

in accordance with 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 49 C.F.R. § 89.23. Pursuant to those same authorities, a late penalty charge of six percent (6%) per annum will be charged if payment is not made within 110 days of service. Furthermore, failure to pay the civil penalty may result in referral of the matter to the Attorney General for appropriate action in a district court of the United States.

The terms and conditions of this order are effective upon service in accordance with 49 C.F.R. § 190.5.

ALAN KRAMER
MAYBERRY

Digitally signed by ALAN
KRAMER MAYBERRY
Date: 2021.01.13 11:23:27
-05'00'

January 14, 2021

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Date Issued



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety Administration**

901 Locust Street, Suite 480
Kansas City, MO 64106

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

VIA ELECTRONIC MAIL TO: gbacon@eprod.com and jcmorton@eprod.com

October 13, 2020

Graham Bacon
COO, Executive Vice President, Operations and Engineering
Enterprise Products Operating LLC
1100 Louisiana Street
Houston, Texas 77002
gbacon@eprod.com

CPF 3-2020-5019

Dear Mr. Bacon:

Between June 7, 2019 and January 9, 2020, 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 records associated with Enterprise Products' Safety-Related Condition Report with a condition discovery date of May 28, 2019 for the line named, "MP 52.1 to Kearney (AID 115)" in the "East Leg" Pipeline System located in Kansas and Missouri.

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

1. § 195.452 Pipeline integrity management in high consequence areas.

(a)

(h) *What actions must an operator take to address integrity issues?-*

(4) *Special requirements for scheduling remediation-(i) Immediate repair conditions.*

An operator’s evaluation and remediation schedule must provide for immediate repair conditions. To maintain safety, an operator must temporarily reduce the operating pressure or shut down the pipeline until the operator completes the repair of these conditions. An operator must calculate the temporary reduction in operating pressure using the formulas referenced in paragraph (h)(4)(i)(B) of this section. If no suitable remaining strength calculation method can be identified, an operator must implement a minimum 20% or greater operating pressure reduction, based on actual operating pressure for two months prior to the date of inspection, until the anomaly is repaired. An operator must treat the following conditions as immediate repair conditions:

Enterprise Products Operating, LLC (Enterprise) failed to implement a pressure reduction as a result of a Safety-Related Condition that could lead to imminent hazard. On June 6, 2019, Enterprise submitted to PHMSA a Safety-Related Condition Report (Report) for Enterprise’s East Leg system which stated, “[c]ondition that could lead to an imminent hazard and causes 20% or more reduction in operating pressure”. The Report identified the “Date Condition Discovered” as May 28, 2019, and states that Safety-Related Conditions were discovered on Line ID 600-601-602, MP 52.1 to Kearney (AID 115), on the East Leg Pipeline System (PHMSA SRC 19-152250). However, Enterprise failed to implement a pressure reduction as a result of the Safety-Related Condition. By email dated November 1, 2019, Enterprise stated to PHMSA personnel that “a Temporary Pressure Reduction had not been taken for this specific segment. I have attached the MOC that shows we [Enterprise] did complete this on October 30th.” Records provided by Enterprise show that there were fourteen (14) anomalies indicated by the in-line inspection tool(s) associated with this Safety-Related Condition report. Twelve (12) anomalies were repaired using Type-B sleeves or Petro Sleeves prior to October 30, 2019, without any pressure reduction in place. The measures required by § 195.452 were not implemented by Enterprise for this safety related condition for a period of five months after discovery, in violation of the regulation.

Proposed Civil Penalty

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 documentation involved in the above probable violation and recommend that you be preliminarily assessed a civil penalty of \$12,900.

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 3-2020-5019** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

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

CC: Jeff Morton, Senior Director Transportation Compliance, jcmorton@eprod.com