

WARNING LETTER

VIA ELECTRONIC MAIL TO: matthew.ramsey@energytransfer.com ,
gregory.mcilwain@energytransfer.com and todd.nardozzi@energytransfer.com

February 2, 2021

Mr. Matt Ramsey
Chief Operating Officer
Energy Transfer Partners, LLC
Rose Rock Wattenberg
8111 Westchester,
Dallas, TX 75225

CPF 3-2021-007-WL

Dear Mr. Ramsey:

On September 29 through November 16, 2020, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected your Rose Rock Wattenberg (Wattenberg) field assets and field records both virtually and onsite in Colorado.

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

1. **§195.589 What corrosion control information do I have to maintain?**

(a) ...

(c) You must maintain a record of each analysis, check, demonstration, examination, inspection, investigation, review, survey, and test required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that corrosion requiring control measures does not exist. You must retain these records for at least 5 years, except that records related to Secs. 195.569, 195.573(a) and (b), and 195.579(b)(3) and (c) must be retained for as long as the pipeline remains in service.

§195.571 What criteria must I use to determine the adequacy of cathodic protection?

Cathodic protection required by this subpart must comply with one or more of the applicable criteria and other considerations for cathodic protection contained in paragraphs 6.2.2, 6.2.3, 6.2.4, 6.2.5 and 6.3 in NACE SP 0169 (incorporated by reference, see § 195.3).

Wattenberg failed to maintain records of IR drop consideration for test points in the Wattenberg system for the time period 2018-2020 as also required by their IR drop consideration procedure noted in italics below. Wattenberg provided a partial listing of the records, but failed to maintain and provide the remaining records during PHMSA's inspection timeframe from September 29 through November 16, 2020. These records were requested at the beginning of the inspection, but were not provided until December 30, 2020.

Rose Rock IR Drop Consideration Procedure:

3.6 IR Drop Consideration 195.571

3.6.1 Voltage drop is considered by taking potential readings directly over, or as near as practical to the structure surface. The effect of the potential measuring circuit is kept to a minimum by using a high resistance voltmeter and being mindful of lead lengths and condition, contact to structure and contact to electrolyte.

3.6.2. At locations where the pipe-to-soil reading is suspected to not represent the cathodic protection level on the structure, the cathodic protection level can be determined by utilizing one or more of the following methods:

3.6.2.1 Measuring or calculating the voltage drops

3.6.2.2 Reviewing the historical performance of the cathodic protection system

3.6.2.3 Evaluating the physical or electrical characteristics of the pipeline and its environment

3.6.2.4 Determining if there is physical evidence of corrosion

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$209,002 per violation per day the violation persists up to a maximum of \$2,090,022 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(s) identified in this letter.

Failure to do so will result in Energy Transfer Partners 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 3-2021-007-WL**. 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: Mr. Gregory Mcilwain, Operations VP, Energy Transfer Partners, LLC,
gregory.mcilwain@energytransfer.com ,
Mr. Todd Nardozzi, Director Regulatory Compliance, Energy Transfer Partners, LLC,
todd.nardozzi@energytransfer.com