

**NOTICE OF PROBABLE VIOLATION
PROPOSED CIVIL PENALTY**

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 9, 2011

Kevin C. Bodenhamer
Sr. Vice-President, Liquid Pipeline Operations
Enterprise Products Operating, LLC
1100 Louisiana Street
Houston, TX, 77210-4735

CPF 4-2011-5012

Dear Mr. Bodenhamer:

In June 2011 a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code followed up on accidents that occurred in Texas City Tank Farm, Tank 9101, Texas City, Texas, Chico, Texas, and Cushing, Oklahoma.

As a result of the accident investigation, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

1. §195.52 Telephonic notice of certain accidents

(a) At the earliest practicable moment following discovery of a release of the hazardous liquid or carbon dioxide transported resulting in an event described on §195.50, the operator of the system shall give notice, in accordance with paragraph (b) of this section.

Enterprise Crude Pipeline LLC (Enterprise) did not make a telephonic notice on accidents that met reporting criteria.

Enterprise had a hazardous liquid accident at the Texas City tank farm in tank 9101 on May 16, 2010. The operator stated in an email to PHMSA that their estimated cost was initially under \$50,000, but the original 7000-1 report (Report # 20100103) that was submitted within 30 days of accident contained estimates of above \$100,000. In a supplemental report the operator updated the costs to above \$194,000.

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Enterprise had a hazardous liquid accident in Chico, Texas on November 6, 2010. The operator stated in an email to PHMSA that their estimated cost was initially under \$50,000, but the original 7000-1 report (Report # 20100278) that was submitted within 30 days of accident contained estimates of above \$50,000.

Enterprise should have made telephonic notification as soon as they learned that the accident met the reporting criteria.

2. §195.54 Accident reports.

(a) Each operator that experiences an accident that is required to be reported under §195.50 shall as soon as practicable, but not later the 30 days after discovery of the accident, prepare and file an accident report on DOT Form 7000-1, or a facsimile.

Enterprise Crude Pipeline LLC did not file an original report within 30 days of discovery of an accident that is required to be reported. Enterprise had a hazardous liquid accident in Cushing, Oklahoma on February 21, 2011. The operator did not file an original report (Report # 20100206) until June 27, 2011 which is 4 months following the accident.

Proposed Civil Penalty

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any 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 \$ 10,000 for item 2.

Warning Items

With respect to item 1 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 promptly correct these item(s). Be advised that failure to do so may result in Enterprise being subject to additional enforcement action.

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. 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). 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.

In your correspondence on this matter, please refer to **CPF 4-2011-5012** and for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

R. M. Seeley
Director, Southwest Region
Pipeline and Hazardous
Materials Safety Administration

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