

VIA FEDERAL EXPRESS AND EMAIL (Mary.McDaniel@dot.gov)

June 7, 2018

Ms. Mary McDaniel
Director, Southwest Region
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
8701 S. Gessner, Suite 630
Houston, TX 77074

Re: CPF 4-2018-5009
Notice of Probable Violation and Proposed Compliance Order
Enterprise Products Operating LLC

Dear Ms. McDaniel,

On May 9, 2018, Enterprise Products Operating LLC (Enterprise or the Company) received the above-referenced Notice of Probable Violation and Proposed Compliance Order (NOPV). This letter constitutes Enterprise's timely written response (Response).

Enterprise appreciates your willingness to meet with the Company on April 17, 2018 to discuss this matter. However, there appears to be a misunderstanding of the actions Enterprise took to address the risk of damage from fault currents or lightning. As demonstrated at the meeting and in the summary below, Enterprise did evaluate whether the Chaparral Pipeline was in close proximity to a high voltage power line (HVPL) and whether the pipeline was protected from damage from fault currents or lightning. Therefore, the facts in the record do not support a violation of 49 C.F.R. § 195.575(e).

However, Enterprise acknowledges that its procedures could be enhanced. In order to reflect that this case involves a procedural issue, Enterprise respectfully requests that PHMSA reframe Item #1 as a violation of 49 C.F.R. § 195.402(c)(3) in the Final Order. This approach aligns with the Proposed Compliance Order and is consistent with a recent notice issued by PHMSA.¹

¹ On May 29, 2018, PHMSA issued a Notice of Amendment to Dakota Gasification Company. In the Notice, the Agency alleged a probable violation of 49 C.F.R. § 195.402(c)(3) for failing to have a procedure to address mitigation of fault currents. *In the Matter of Dakota Gasification Co.*, CPF No. 3-2018-5003M, Notice, (May 29, 2018).

NOPV Item 1:

§195.575 Which facilities must I electrically isolate and what inspection tests, and Safeguards are required?

(e) If a pipeline is in close proximity to electrical transmission power footings, ground cables, or counterpoise or in other areas where it is reasonable to foresee fault currents or an unusual risk of lightning, you must protect the pipeline against damage from fault currents or lightning and take protective measures at insulating devices.

Enterprise failed to evaluate the potential threat and effect of fault currents and lightning on their Chaparral pipeline system. During the PHMSA field inspection, the pipeline was observed to be in close proximity to electrical transmission power lines for a considerable length of miles between Mont Belvieu and Bryan Texas. Enterprise did not provide any records to demonstrate that the line was protected from the damage due to the effect of fault currents and lightning.

During a meeting with Enterprise personnel on April 17, 2018, Enterprise provided a new procedure CPP-GEN-06 AC Fault and Lightning evaluation for existing pipelines. The procedure includes an initial release date of April 11, 2018, and provides a standardized method of evaluating the risk of damage on existing pipelines due to high voltage power line (HVPL) fault currents or lightning effects. On April 19, 2018, Enterprise submitted a summarized report of evaluation done for the C8 l - Chaparral line using the new CPP-GEN-06 procedure.

Enterprise Response to NOPV Item 1:

Summary Response

Enterprise is particularly concerned with the allegations in paragraph 1 of Item 1. The Southwest Region alleges that (1) Enterprise failed to evaluate the potential threat of fault currents and lightning on the Chaparral Pipeline; (2) the pipeline was in close proximity to a HVPL; and (3) Enterprise failed to provide records demonstrating that the pipeline was protected. Contrary to these allegations, Enterprise did evaluate whether the Chaparral Pipeline is in close proximity to a HVPL and whether the line is protected from damage from fault currents or lightning. These portions of PHMSA's allegations are not supported by any facts in the record and should be rescinded.

Regarding paragraph 2 of Item 1, Enterprise acknowledges that the Company did not have a document summarizing the actions it takes to determine if a pipeline is in close proximity to a HVPL and whether additional protection was necessary. These actions are incorporated in other individual procedures and upon receipt of the NOPV, Enterprise decided it would be prudent to have a stand-alone procedure for the actions Enterprise takes to address the risk of fault currents and lightning. Enterprise created the CPP-GEN-06 procedure and shared it with the Southwest

Region during the April 17, 2018 meeting.² As explained further in an email dated April 19, 2018, although CPP-GEN-06 is a new procedure, all referenced procedures predate the inspection and have been used to monitor and mitigate threats on Enterprise’s pipelines, including the threat of fault current and lightning strikes.³

Close Proximity

PHMSA has not offered any evidence to demonstrate that the Chaparral Pipeline is in “close proximity” to a HVPL. Section 195.575(e) requires that “if a pipeline is in close proximity to electrical transmission tower footings, ground cables, or counterpoise, or in other areas where it is reasonable to foresee fault currents or an unusual risk of lightning, you must protect the pipeline against damage from fault currents or lightning and take protective measures at insulating devices.”⁴ The text of the regulation assumes a threshold assessment of whether the pipeline is in close proximity to electrical transmission tower footings, ground cables, or counterpoise, or in other areas where it is reasonable to foresee fault currents or an unusual risk of lightning. If an operator determines that the pipeline is located within those areas, it must “protect the pipeline against damage from fault currents or lightning...” by first determining “when protection against damage from fault currents or lightning is needed and how that protection must be installed.”⁵

PHMSA has stated that “close proximity” is not “an absolute or minimal distance”.⁶ In an interpretation of 49 C.F.R. § 192.467(f), the gas counterpart to § 195.575(e), PHMSA stated that “‘close proximity’ means near enough to the listed structures to reasonably expect that a lightning strike on the structure might harm the pipeline’s corrosion control system. Close proximity is not an absolute or minimum distance, and it could vary depending on site conditions.”⁷ PHMSA stated in the interpretation that the distance must be determined by a

² Exhibit A: CPP-GEN-06: AC Fault and Lightning Evaluation for Existing Pipelines.

³ Exhibit B: Email from Jeff Morton to Mary McDaniel dated April 19, 2018.

⁴ 49 C.F.R. § 195.575(e) (emphasis added).

⁵ *Id.*; *In the Matter of Williams Olefins Feedstock Pipelines*, CPF No. 4-2017-5002M (Jan. 25, 2017).

⁶ PHMSA Letter of Interpretation to Mr. David Hippchen, West Va. Pub. Serv. Comm’n, #PI-98-009 (Nov. 19, 1998).

⁷ *Id.* Although this is an interpretation related to a gas regulation, it is applicable in this case because § 192.467(f) is nearly identical to § 195.575. PHMSA has acknowledged the probative weight of Part 192 guidance when analyzing the scope of an identical Part 195 requirement. *See, e.g., In the Matter of Ohio River Valley Pipeline, LLC*, CPF No. 3-2015-5009 (Jan. 18, 2018) (referencing the term “transmission line” from the Part 192 regulations as a “useful aid” in discussing Part 195 requirements that do not define the term); *In the Matter of Magellan Pipeline Company*, CPF No. 4-2012-5010 (Sept. 2, 2014) (acknowledging that PHMSA’s proposed changes to the corrosion control standards for liquid pipelines were based on the Part 192 gas pipeline requirements and are nearly identical); *In the Matter of Tallgrass Interstate Gas Transmission Co.*, CPF No. 3-2012-1007 (Oct 30, 2013) (reviewing the regulatory history of Part 195 standards when determining the meaning of Part 192 requirements that were proposed based on Part 195 requirements); *Controlling Corrosion on Hazardous Liquid and Carbon Dioxide Pipelines*, 65 Fed. Reg. 76,968, 76,975 (Dec. 8, 2000) (stating that the proposed Part 195 corrosion control requirements include

person qualified in corrosion control methods and cited § 192.453.⁸ Likewise, in the liquid pipeline safety regulations, § 195.555 directs operators to “require and verify that supervisors maintain a thorough knowledge of . . . [the procedures] for which they are responsible for [e]nsuring compliance.”⁹

In the Violation Report, PHMSA states that “Enterprise’s Chaparral pipeline was observed to be in close proximity to electrical transmission power lines for a considerable length of miles between Mont Belvieu and Bryan TX.”¹⁰ The Violation Report provides no evidence of the distance between the Chaparral Pipeline and the HVPL. PHMSA did not attach any photographs, maps, or any description of the separation distance. Nor did PHMSA explain what separation distance triggered “close proximity” to the HVPL, such that further protection was warranted. By this fact alone, PHMSA has not met its burden of production to sustain the allegation that the Chaparral Pipeline is in close proximity to a HVPL.

PHMSA has the burden of proof in a pipeline safety enforcement proceeding to demonstrate that a violation has occurred.¹¹ PHMSA must satisfy this obligation for all elements of the proposed violation.¹² This responsibility includes the “‘burden of persuasion,’ i.e., which party loses if the evidence is closely balanced, and the ‘burden of production,’ i.e., which party bears the obligation to come forward with the evidence at different points in the proceeding.”¹³ To satisfy the burden of production, PHMSA must present sufficient evidence to sustain an allegation of violation.¹⁴ For the burden of persuasion, PHMSA must demonstrate that “the evidence supporting the allegation outweighs the evidence and reasoning presented by Respondent.”¹⁵

“standards that are substantially like present requirements in Part 192.”).

⁸ PHMSA Letter of Interpretation to Mr. David Hippchen, West Va. Pub. Serv. Comm’n, #PI-98-009 (Nov. 19, 1998) (citing 49 C.F.R. § 192.453).

⁹ 49 C.F.R. § 195.555.

¹⁰ Violation Report at 4.

¹¹ See *In the Matter of Inland Corp.*, CPF No. 1-2017-5003 (Mar. 7, 2018).

¹² *In the Matter of ANR Pipeline Co.*, CPF No. 3-2011-1011 (Dec. 31, 2012). See also *In the Matter of CITGO Pipeline Co.*, CPF No. 4-2007-5010 (Dec. 29, 2011) (OPS bears the burden of proof in an enforcement action and must prove, by a preponderance of the evidence, that all of the elements necessary to sustain a violation are present in a particular case.”).

¹³ *Shaffer v. Weast*, 546 U.S. 49, 56 (2005) (citing *Dir., Office of Worker’s Comp. Programs, Dep of Labor v. Greenwich Collieries*, 512 U.S. 267, 272 (1994)). See also *In the Matter of Bridger Pipeline Co.*, CPF No. 5-2007-5003 (Apr. 2, 2009) (“ . . . PHMSA carries the burden of proving the allegations set forth in the NOPV. This includes both the burden of production and the burden of persuasion.”).

¹⁴ *In the Matter of EQT Corp.*, CPF No. 1-2006-1006 (May 13, 2010) (finding that “OPS failed to present sufficient evidence as to what” was missing from the operator’s procedures).

¹⁵ *In the Matter of Golden Pass Pipeline*, CPF No. 4-2008-1017 (Mar. 22, 2011) (finding that “OPS did not provide any evidence at the hearing beyond the facts and statements in the Notice and Violation Report and did not meet its burden of proof.”).

The Southwest Region has not met either burden to support its allegation that the Chaparral Pipeline was in close proximity to a HVPL. The allegation that the Chaparral Pipeline was in close proximity to a HVPL should be withdrawn.

Need for Additional Protection

Assuming for the sake of argument that the Chaparral Pipeline is in close proximity to the HVPL, PHMSA has not offered any evidence to demonstrate that the pipeline was not protected from damage due to fault currents or lightning. PHMSA has the burden to demonstrate both that protection was required and that the Company did not provide such protection.¹⁶ The Agency's evidence cited in the Violation Report is limited to the lack of an engineering analysis or other record, statements by Enterprise personnel during an August 16, 2017 meeting, Enterprise's new procedure and subsequent evaluation for the Chaparral pipeline provided on April 17, 2018, and an interview with Kyle Costlow, Director of Corrosion Prevention.¹⁷

The text of the regulation does not direct an operator to conduct an engineering analysis to demonstrate compliance with § 195.575(e). While PHMSA's enforcement guidance recommends that an "operator should perform an engineering analysis", one is not required nor is its scope and contents defined.¹⁸ PHMSA has recognized in enforcement actions that its enforcement guidance neither creates requirements, nor "foreclose[s] an alternative method" of compliance with the regulations.¹⁹ Also, the Department of Justice issued a memorandum earlier this year confirming the well-settled principle of administrative law that "[g]uidance documents cannot create binding requirements that do not already exist by statute or regulation."²⁰

The regulations do not require operators to list all data sources and information that are reviewed to determine whether a pipeline is in close proximity to an HVPL such that it would require

¹⁶ See e.g., *In the Matter of ExxonMobil Pipeline Co.*, CPF No. 5-2013-5007 (Jan. 23, 2015) ("... OPS did not present any persuasive arguments as to why each of those measures were required under the regulation While someone could assume that any additional measures could have *some* impact on preventing or mitigating failures, OPS has the burden of proving the measures alleged in the Notice were, in fact, required as a result of [the regulation].").

¹⁷ Violation Report at 4-5.

¹⁸ PHMSA PART 195 CORROSION ENFORCEMENT GUIDANCE 73 (2016), https://www.phmsa.dot.gov/sites/phmsa.dot.gov/files/docs/Corrosion_Enforcement_Guidance_Part195_6_22_2016; 49 C.F.R. § 195.575(e).

¹⁹ *In the Matter of Explorer Pipeline Co.*, CPF No. 3-2013-5010M (Jul. 9, 2015). See also *In the Matter of Tallgrass Interstate Gas Transmission Co.*, CPF No. 3-2012-1007 (Oct. 30, 2013) ("While guidance does not constitute a rule . . ."); *In the Matter of Dominion Transmission, Inc.*, CPF No. 1-2009-1006 (Oct. 13, 2011) ("... the guidance must be read so as to be consistent with the language and intent of the regulations.")

²⁰ Memorandum from The Associate Attorney General to Heads of Civil Litigating Components and United States Attorneys (Jan. 25, 2018), <https://www.justice.gov/file/1028756/download>.

additional protection. Thus, operators have flexibility in determining the appropriate means to evaluate whether a pipeline is in close proximity to an HVPL.²¹

In regards to the statements during the August 16, 2017 meeting with PHMSA, these statements reflect a misunderstanding.²² Enterprise understood PHMSA's question during the 2017 inspection about an engineering analysis to mean whether Enterprise conducted a third-party AC interference and mitigation study supplementing Enterprise's existing approach to determine if a pipeline is in close proximity to a HVPL and if there is a risk of damage due to fault currents or lightning.²³ Enterprise analyzed the potential effects of fault currents or lightning through evaluating operational data and assessment records.²⁴ If there was a risk of fault current or lightning damage on the Chaparral Pipeline, Enterprise would have been alerted to it through its continual evaluation of this data.

As recognized in the Violation Report, Enterprise created a new procedure describing its existing approach to determine whether a pipeline is in close proximity to a HVPL and whether protection from fault currents and lightning is required.²⁵ Enterprise provided the Southwest Region with a summary of its prior evaluation of the Chaparral Pipeline along with the new procedures.²⁶ Additionally, Kyle Costlow stated that a review of the construction and survey records demonstrated that there was no threat of damage due to fault currents and lightning on the Chaparral Pipeline.²⁷ Due to these facts, PHMSA must rescind the allegation that Enterprise failed to evaluate the effects of fault currents and lightning on the Chaparral Pipeline or that the line was unprotected from fault currents and lightning.

²¹ PHMSA has recognized built-in flexibility in other sections of the pipeline safety regulations. *In the Matter of El Paso Pipeline Corp.*, CPF No. 4-2007-1007 (Mar. 10, 2011). In discussing integrity management, PHMSA stated that the "regulations are designed to be flexible and to allow operators to develop their own processes for threat evaluation that are best suited to their particular pipeline systems and operations." *Id.* PHMSA also noted that operators need to "realistically assess[]" threats to their system. *Id. See also In the Matter of Florida Gas Transmission Co.*, CPF No. 4-2013-1019 (Dec. 14, 2015) (in discussion testing of cathodic protection, PHMSA noted that the regulation "provides operators flexibility to achieve compliance in a manner appropriate for their pipeline system, as long as the minimum level of safety is being achieved."); *In the Matter of Centerpoint Energy Gas Transmission Co.*, CPF No. 4-2007-1004 (Feb. 11, 2011) (stating that [t]he Integrity Management regulations are designed to be flexible and permit [the operator] to come up with a process for threat evaluation that is best suited to its particular pipeline system and operations.").

²² Violation Report at 4.

²³ Exhibit R: Kyle Costlow Affidavit.

²⁴ *Id.*

²⁵ Violation Report at 4.

²⁶ *Id.*

²⁷ *Id.* at 5.

Pre-inspection Actions Taken to Comply with § 195.575(e)

Although Item 1, as currently written, should be withdrawn since PHMSA has not met its burden of proof, Enterprise is providing a summary of how it complied with the regulation in order to clarify the record and to prevent any misunderstanding by the public that Enterprise did not protect the Chaparral Pipeline. Enterprise personnel, with knowledge of the Company's corrosion control procedures, reviewed a variety of records and data before the inspection in this matter and concluded that these materials demonstrated that the Chaparral Pipeline is not in close proximity to an HVPL to trigger the need for additional protective measures under § 195.575(e). Enterprise uses several company standards and procedures to identify possible threats to pipeline integrity, including, among other threats, fault and lightning damage.²⁸ Pursuant to these existing standards and procedures, Enterprise's Corrosion Prevention group reviewed the results of its Information Analysis, Annual Cathodic Protection Survey Records, Cathodic Protection Rectifier Inspections, and Close Interval Survey Records to evaluate the risk of damage from fault currents or lightning.²⁹

The construction records show that the Chaparral Pipeline is electrically lossy because of its vintage asphalt and coal tar enamel coating.³⁰ Electrically lossy pipelines are less susceptible to fault and lightning effects because they are well grounded.³¹ Enterprise also reviewed records from several pipeline repair and recoating projects.³² During these projects, Enterprise did not observe any signs of fault current damage, such as molten metal splatter or cracking due to heat. Enterprise did not identify any deficiencies or remedial actions associated with elevated AC potentials in evaluating the annual cathodic protection surveys for the past three years.³³ Also, Enterprise did not identify this segment of the Chaparral Pipeline as being susceptible to stray or inductive AC interference from HVPLs.³⁴ Enterprise conducts rectifier inspections bimonthly

²⁸ Exhibit C: Chaparral Pipeline 2016 Information Analysis; Exhibit D: Chaparral Pipeline Footage Summary; Exhibit E: IM Procedure 6-01L – Information Analysis Procedure; Exhibit F: CPP-GEN-01 Deficiency Reporting and Remedial Action Development; Exhibit G: CPP-GEN-01 Remedial Action Form; Exhibit H: CP13 – Onshore Pipeline and Facility Annual Cathodic Protection Surveys; Exhibit I: Annual Cathodic Protection Surveys for the Chaparral Pipeline; Exhibit J: CP 05 - Close Interval Potential Surveys; Exhibit K: CIS records for the Chaparral Pipeline; Exhibit L: CP 11 – Rectifier Troubleshooting; Exhibit M: CP 15 – Rectifier Monitoring; Exhibit N: Rectifier Inspections for the Chaparral Pipeline.

²⁹ Exhibit O: February 23, 2016 Email from Kyle Costlow Confirming Review of Chaparral Pipeline 2016 Information Analysis.

³⁰ Exhibit C: Chaparral Pipeline 2016 Information Analysis at 1; Exhibit D: Chaparral Pipeline Footage Summary.

³¹ CANADIAN ENERGY PIPELINE ASS'N, A/C INTERFERENCE GUIDELINE FINAL REPORT 25 (2014), <https://www.cepa.com/wp-content/uploads/2016/11/AC-Interference-Guidelines-Final-Report-FOR-PUB..pdf>.

³² Exhibit C: Chaparral Pipeline 2016 Information Analysis at 2.1.10.

³³ Exhibit I: Annual Cathodic Protection Survey Records for the Chaparral Pipeline.

³⁴ *Id.*

and annually reviews and analyzes this information.³⁵ From 2015 to 2017, Enterprise did not identify any deficiencies or remedial actions associated with the inspected rectifiers.³⁶ The rectifier data indicated that the Chaparral Pipeline is not at risk to damage from fault currents or lightning because there had been no incidences of electrical damage caused by fault currents or lightning on the rectifiers on the segment of the Chaparral Pipeline co-located with a HVPL. These records supported Enterprise's conclusion before the inspection in this case that the Chaparral Pipeline is not in close proximity to HVPL tower footings, grounding, or counterpoise that would cause damage to the coating, pipeline, or electrical equipment from fault currents or lightning.

The HVPL co-located with the Chaparral Pipeline also has shield wires, which will reduce the fault current that enters the ground up to 80%.³⁷ Shield wires are intended to protect "phase conductors from lightning strikes, but they can also affect the steady-state induced voltage and the induced fault voltage."³⁸ Shield wires reduce the total fault current at the faulted tower by sending the fault current back to a substation or power station along the HVPL for grounding.³⁹ Thus, the "[ground potential rise] GPR produced by a fault will be less at the faulted tower than if the entire fault current passed to [the] ground at a single tower."⁴⁰ A lower GPR results in a reduced sustainable fault arc distance, which in turn reduces the required separation distance between a pipeline and HVPL.⁴¹ The presence of shield wires on the HVPL in the Chaparral Pipeline corridor significantly reduces the risk of damage to the pipeline from fault currents or lightning.

Post-inspection Actions Taken to Comply with § 195.575(e)

Enterprise recently confirmed soil resistivity measurements at locations where the HVPL tower footings are closest to the Chaparral Pipeline.⁴² These soil resistivity measurements range from approximately 1,400 ohm-cm to 14,500 ohm-cm. Soils with low resistivity dissipate fault currents more effectively, and therefore, provide protection to the Chaparral Pipeline.

³⁵ Exhibit L: CP 11 – Rectifier Troubleshooting; Exhibit M: CP 15 – Rectifier Monitoring.

³⁶ Exhibit N: Rectifier Inspections for the Chaparral Pipeline.

³⁷ Exhibit P: Photographs of HVPL shield wires; A/C INTERFERENCE GUIDELINE FINAL REPORT at 3.

³⁸ A/C INTERFERENCE GUIDELINE FINAL REPORT at 3.

³⁹ *Id.*

⁴⁰ *Id.*

⁴¹ NACE INT'L, SP 0177: MITIGATION OF ALTERNATING CURRENT AND LIGHTNING EFFECTS ON METALLIC STRUCTURES AND CORROSION CONTROL SYSTEMS 15 (2014).

⁴² Exhibit Q: Chaparral HVPL Report.

On the basis of this review, Enterprise reconfirmed that the Chaparral Pipeline is not in close enough proximity to the HVPL to require additional protection from fault currents or lightning. Furthermore, Enterprise has concluded that the physical configuration of the Chaparral Pipeline, other nearby pipelines, and the HVPL itself (via the shielding wire) provides inherent protection from fault currents and lightning.

Records

Enterprise provided its company standards and procedures used to identify possible threats to pipeline integrity, including potential fault and lightning damage, to the PHMSA inspector during the 2017 inspections. Enterprise also made these documents available during an informal meeting with the region on April 17, 2018. Pursuant to these existing standards and procedures, Enterprise's Corrosion Prevention group reviews the results of its Information Analysis, Annual Cathodic Protection Survey Records, Cathodic Protection Rectifier Inspections, and Close Interval Survey Records to evaluate the risk of damage from fault currents or lightning. These records demonstrate that before the inspection Enterprise evaluated the potential threat and effect of fault currents and lightning.

Procedures

Enterprise acknowledges that the Company did not have a stand-alone procedure summarizing the actions it takes to determine if a pipeline is in close proximity to a HVPL and whether additional protection was necessary. These actions were incorporated in other individual procedures and upon receipt of the NOPV, Enterprise decided to create the CPP-GEN-06 procedure.⁴³ Enterprise shared this procedure with the Southwest Region during the April 17, 2018 meeting. Although CPP-GEN-06 is a new procedure, all the procedures referenced in it predate the inspection and have been used to monitor and mitigate threats on Enterprise's pipelines, including the threat of fault current and lightning strikes.⁴⁴

Based on the foregoing, Enterprise respectfully requests that in the Final Order, PHMSA reframe the allegations as a violation of 49 C.F.R. § 195.402(c)(3). The facts in the record do not support a violation of 49 C.F.R. § 195.575(e).

Proposed Compliance Order:

Pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Enterprise Products Operating, LLC, a Compliance Order incorporating the following remedial requirements to ensure the compliance of Enterprise Products Operating, LLC with the pipeline safety regulations:

⁴³ Exhibit A: CPP-GEN-06: AC Fault and Lightning Evaluation for Existing Pipelines.

⁴⁴ Exhibit B: Email from Jeff Morton to Mary McDaniel dated April 19, 2018.

1. *In regard to Item Number 1 of the Notice pertaining to providing protection to pipelines in close proximity to electrical transmission power footings, ground cables or counterpoise or in areas where it is reasonable to foresee fault currents or an unusual risk of lightning, Enterprise Products Operating, LLC shall:
 - (i) *Review the current AC Fault and Lightning Evaluation for Existing Pipelines, Enterprise Corrosion Prevention Program CPP-GEN-06 to ensure that the procedures provide adequate guidance, details and record how existing pipelines are being evaluated for their protection against the threat of AC fault currents and lightning.*
 - (ii) *Provide a copy of the management of change documentation that shows the procedure is effective and the date it became effective.**
2. *Item 1 shall be submitted to PHMSA no later than 30 days from the issuance of the Final Order in this case.*
3. *It is requested (not mandated) that Enterprise Products Operating, LLC maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Mary McDaniel, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.*

Enterprise Response to Proposed Compliance Order:

Enterprise has reviewed CPP-GEN-06 to ensure that the procedure provides adequate guidance and details and records how existing pipelines are being evaluated for their protection against the threat of AC fault currents and lightning. Enterprise has also reviewed this procedure with your office. This portion of the Proposed Compliance Order should be marked satisfied in the Final Order.

Upon receipt of the Final Order, Enterprise will provide documentation that shows the date the procedure became effective.

Please contact me if you have any questions regarding this filing.

Sincerely,



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LLC

Enclosures

cc: Mr. Adam Phillips, Esq., Counsel for the Southwest Region, PHMSA (via email)
Ms. Lauren Clegg, Esq., Counsel for the Southwest Region, PHMSA (via email)
Mr. Jeff Morton, Senior Director, Transportation Compliance, Enterprise Products
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Zachary L. Craft, Esq., Counsel, Enterprise Products Operating LLC