



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

8701 S. Gessner, Suite 630
Houston, TX 77074

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 20, 2018

Graham Bacon
Group Senior VP, Operations & EHS&T
Enterprise Crude Pipeline LLC
1100 Louisiana Street
Houston, Texas 77002

CPF 4-2018-5010M

Dear Mr. Bacon:

From February to September 29, 2017, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Enterprise Crude Pipeline, LLC (Enterprise) procedures for Operations and Maintenance, and Integrity Management in Houston, Texas.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Enterprise's plans or procedures, as described below:

1. §195.505 Qualification program.

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(i) After December 16, 2004, notify the Administrator or a state agency participating under 49 U.S.C. Chapter 601 if the operator significantly modifies the program after the administrator or state agency has verified that it complies with this section. Notifications to PHMSA may be submitted by electronic mail to *InformationResourcesManager@dot.gov*, or by mail to ATTN: Information Resources Manager DOT/PHMSA/OPS, East Building, 2nd Floor, E22-321, New Jersey Avenue SE., Washington, DC 20590.

Enterprise's Operator Qualification Manual (OQ), Section 15, fails to define what is a significant modification to the OQ Plan and how to submit a notification to PHMSA. Enterprise's OQ Plan addresses what will be considered a significant modification requiring notification to PHMSA and/or appropriate state agencies.

2. **§195.452 Pipeline integrity management in high consequence areas.**

(f) *What are the elements of an integrity management program?* An integrity management program begins with the initial framework. An operator must continually change the program to reflect operating experience, conclusions drawn from results of the integrity assessments, and other maintenance and surveillance data, and evaluation of consequences of a failure on the high consequence area. An operator must include, at minimum, each of the following elements in its written integrity management program:

(8) A process for review of integrity assessment results and information analysis by a person qualified to evaluate the results and information (see paragraph (h)(2) of this section).

Enterprise's Integrity Management Program, IM Process 4-00, fails to adequately describe what kind of training and qualifications are required for review of integrity assessment results and information analysis. Enterprise lists what positions are involved in reviewing ILI data. Enterprise needs to address what training and qualification is required for each position listed in IM Process 4-00. The rule requires that individuals who review assessment results and perform information analysis be qualified to do so. An effective operator program would be expected to require that appropriate means be taken to ensure the requisite level of qualification.

3. **§195.452 Pipeline integrity management in high consequence areas.**

(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 percent 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's Integrity Management Program, IM Procedure 5-01L, section 5-01.2.1 Temporary Reduction of Operating Pressure, fails to require when Enterprise initiates a 20 percent pressure reduction when a remaining strength calculation method cannot be utilized, the pressure reduction be based on the actual operating pressure for two months prior to the date of inspection.

Also, the procedure references the code regulation to describe criteria for indications that meet the immediate repair criteria. Enterprise needs to state what is an immediate repair or reference where it is defined in their processes, not just reference the regulation code.

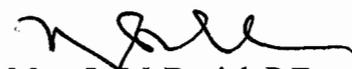
Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under §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 an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that Enterprise Crude Pipeline, LLC maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Mary McDaniel, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 4-2018-5010M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Mary L. McDaniel, P.E.
Director, Southwest Region
Pipeline and Hazardous Materials Safety Administration

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