



October 3, 2019

Mary L. McDaniel, P.E.
Director, Southwest Region
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration (PHMSA)
Office of Pipeline Safety
8701 S. Gessner, Suite 630
Houston, TX 77074

Via email: mary.mcdaniel@dot.gov
Via Certified Mail – Return Receipt Requested

**Re: CPF 4-2019-3003; Freeport LNG Development, L.P.
Notice of Probable Violation and Proposed Compliance Order**

Dear Ms. McDaniel:

This letter is in response to the above-referenced Notice of Probable Violation and Proposed Compliance Order dated September 11, 2019. Freeport LNG Development, L.P. (FLNG) does not contest the Proposed Compliance Order and intends to take the actions stated within the Proposed Compliance Order. Specifically, FLNG will take the following actions with respect to the items inspected and the proposed violations:

Item 1:

- a. FLNG will document transfer procedures in accordance with §193.2513.
- b. FLNG will establish a written procedure for performing purging of its piping in accordance with §193.2517.
- c. FLNG will document a procedure that defines control systems to operate within design limits in accordance with §193.2619.
- d. FLNG will document a procedure that states that each LNG storage tank must be inspected and tested to verify the structural integrity or safety of the tank in accordance with §193.2623.

Item 2:

FLNG will revise its cathodic inspection records to improve consistency and granularity (*i.e.*, show the location of cathodically protected components, neighboring structures bonded to the cathodic protection system, and corrosion protection equipment as required by §193.2639).

FLNG notes that Item 2 was listed as a Warning Item (and not included in the Proposed Compliance Order), but, nevertheless, we have identified the actions we intend to take to address that item as well.

If possible, FLNG would appreciate PHMSA providing us with an advanced indication as to the timing of the issuance of the Final Order, so that we may begin to prioritize and commence the efforts necessary to complete the above actions within the 90-day time period after issuance of the Final Order.

Thank you for your cooperation in this matter.

A handwritten signature in black ink, appearing to read "Mallett".

Mark W. Mallett, P.E.
Senior Vice President – Operations & Projects
Freeport LNG Development, L.P.

Freeport LNG Development, L.P.

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