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December 2, 2019

By Federal Express and Email

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

Re: Venture Global Calcasieu Pass – CPF 4-2019-3004

Dear Ms. McDaniel:

Pursuant to 49 C.F.R. § 190.208(a)(2), Venture Global Calcasieu Pass, LLC, a Delaware limited liability company (“*Venture Global*”), respectfully submits these written comments in response to the Notice of Probable Violation, Proposed Civil Penalty and Proposed Compliance Order dated November 4, 2019 (the “*Notice*”) and requests that the proposed civil penalty be reduced.

Venture Global does not contest the violations alleged in the Notice, but believes that the proposed civil penalty of \$198,700 should be reduced because (a) this is the first violation by Venture Global; (b) the violation was unintentional; and (c) the assumptions upon which the proposed civil penalty were calculated do not reflect the actual circumstances of Venture Global’s conduct in this matter. In particular, Venture Global wishes to stress that it did not make a deliberate decision not to comply with an applicable requirement, nor did it act without good faith. Rather, Venture Global’s non-compliance was an administrative oversight.

Venture Global acknowledges that it did not respond to PHMSA’s May 2, 2019 email informing it of the applicable requirements. However, the Violation Report’s assertion that Venture Global “made a deliberate decision not to comply with an applicable requirement” overstates the company’s culpability. The May 2, 2019 email that was sent to a Venture Global employee was not sent to the company official responsible for the development of the Venture Global project who is named in the Federal Energy Regulatory Commission (“*FERC*”) Docket and was identified in each of FERC’s limited notices to proceed. The email was unintentionally filtered into our employee’s “spam” folder, where it remained unopened and unread until November 12, 2019, when that employee was made aware of the Notice. Venture Global did not deliberately

Mary L. McDaniel, P.E.
December 2, 2019

VENTURE GLOBAL LNG

disregard the email. Rather, the company was completely unaware that the email had been sent, and there was no follow-up correspondence from PHMSA.

In mid-September 2019, PHMSA subsequently applied for and obtained an OPID on behalf of Venture Global, choosing to designate the Venture Global employee to whom it communicated on May 2 (and from whom it received no response) as the company's compliance officer for Venture Global's OPID. The series of five emails that were sent to this individual as a result of those actions were also unintentionally filtered into our employee's "spam" folder.

The Notice also refers to a May 23, 2019 visit to Venture Global's planned LNG terminal site conducted by PHMSA Inspectors. However, PHMSA's Pipeline Safety Violation Report includes no evidence that the PHMSA Inspectors sought or gained access to the site or communicated with any personnel of Venture Global or its contractors who were present at the site. Venture Global has confirmed with its employees and contractors that no one present at the site encountered any PHMSA Inspectors on May 23, 2019. Because there was no on-site inspection or outreach to Company personnel, Venture Global had no opportunity to meet with the PHMSA inspector and address the issues subsequently identified in the Notice.

In light of these circumstances, as well as Venture Global's long history of cooperation and communication with both FERC and PHMSA since the inception of this project, we believe that the Violation Report's characterization of Venture Global's actions in this proceeding as deliberate far overstates the company's level of intent in failing to comply with the regulations. To the contrary, we have prided ourselves on full compliance with all regulatory requirements throughout our project development and we were frankly shocked to see that this failure had occurred. As you know, we immediately responded to the Notice and commenced all appropriate actions to come into compliance as soon as we became aware of this issue, unfortunately through the Notice. Accordingly, we are respectfully requesting the elimination of, or a substantial reduction in, the penalty proposed to be assessed in the Notice, as this is the company's first violation and it was completely unintentional.

For purposes of clarity, Venture Global confirms that it is not requesting an oral hearing in respect of the Notice or the penalty assessed therein. In addition, Venture Global does not contest the proposed compliance order and intends to take the actions in the proposed compliance order, to the extent not already taken. Indeed, Venture Global has already taken steps to ensure that future compliance.

Mary L. McDaniel, P.E.
December 2, 2019

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Should you have any questions, please contact the undersigned at (202) 759-6736.

Sincerely,

**VENTURE GLOBAL CALCASIEU
PASS, LLC**

By: 
Name: Keith Larson
Title: General Counsel and Secretary

cc: Ahuva Battams, Esq., Counsel for the Southwest Region, OPS
Susan Olenchuk, Esq., Van Ness Feldman, LLP
Bryn Karaus, Esq., Van Ness Feldman, LLP