

## WARNING LETTER

### ELECTRONIC MAIL - RETURN RECEIPT REQUESTED

December 22, 2020

Sean Ryan  
President  
Golden Pass LNG Terminal LLC  
811 Louisiana, Suite 1500  
Houston, Texas 77002

CPF 4-2020-014-WL

Dear Mr. Ryan:

From July 1, 2020 through October 6, 2020, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Golden Pass LNG Terminal LLC's (GPLNG) construction project for a new feed gas pipeline at the Golden Pass LNG plant located in Sabine Pass, Texas.

As a result of the inspection, it is alleged that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violations are:

1. **§ 192.143 - General requirements.**

**(b) The design and installation of pipeline components and facilities must meet applicable requirements for corrosion control found in subpart I of this part.**

GPLNG failed to design and install pipe at levee crossings #1 and #9 at the Golden Pass LNG plant in accordance with 49 CFR 192.143(b). Specifically, the zinc plated hardware connected to the ratchet straps used to secure the pipeline to the supports during flowable fill pours was not electrically isolated from the pipeline. Even though a rock shield was applied to the pipeline before adding the ratchet straps, electrical isolation of the hardware could not be verified.

2. **§ 192.463 - External corrosion control: Cathodic protection.**

**(a) Each cathodic protection system required by this subpart must provide a level of cathodic protection that complies with one or more of the applicable criteria contained in appendix D of this part. If none of these criteria is applicable, the cathodic protection system must provide a level of cathodic protection at least equal to that provided by compliance with one or more of these criteria.**

GPLNG failed to design the pipeline at levee crossings #1 and #9 to comply with applicable criteria contained in Appendix D of Part 192. GPLNG installed nylon ratchet straps to restrain the pipeline to support pile caps while flow-able fill was poured over the pipeline. The nylon straps that restrain

the pipe may electrically shield the cathodic protection from reaching the area of the pipe that is covered.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed \$213,268 per violation per day, with a maximum penalty not to exceed \$2,132,679. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 for a related series of violations. 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 correct the items identified in this letter. Failure to do so will result in Golden Pass LNG Terminal LLC being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 4-2020-014-WL**. 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).

Sincerely,

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

cc: Steven Andrews, HSE Supervisor, Golden Pass LNG Terminal,  
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