

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 9, 2020

Richard Keyser
Senior Vice President of Operations
Gulf South Pipeline Company, LLC
9 Greenway Plaza, Suite 2800
Houston, Texas 77046

CPF 4-2020-1005W

Dear Mr. Keyser:

Between January 27 and February 28, 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 your Willis Lateral Index 129-103 construction near Conroe, Texas.

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

1. §192.303 Compliance with specifications or standards

Each transmission line or main must be constructed in accordance with comprehensive written specifications or standards that are consistent with this part.

The operator failed to construct the pipeline in accordance with the written specifications for the project. The project specifications require the use of the manufacturer's specification for the application of field joint coating repairs. According to the operator's procedure, "All coating materials used shall be done in accordance with coating manufacturer's published guidelines."

According to the manufacturer's specification, "Preheating may be accomplished with heat gun or indirect heat. Post heating can be performed with heat gun or indirect heat." The procedure does not include provisions for the direct application of heat.

During the inspection conducted between January 27-31, 2020, PHMSA observed contractor personnel heating the pipe using a direct flame on more than one occasion. During the exit brief, the operator indicated that they would begin using heat guns in the future. On a subsequent inspection conducted between February 24-28, 2020, a direct flame device was observed in the area of a coating repair activity. When asked, the contractor was unable to produce a heat gun to be used on the project.

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 item(s) identified in this letter. Failure to do so will result in Gulf South Pipeline Company, 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 4-2020-1005W**. 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