



Sabine Pass Liquefaction, LLC  
9423 Gulf Beach Hwy.  
Cameron, Louisiana 70631  
phone: 337.569.7000  
fax: 337.569.7811

*Via Email*

October 12, 2021

Ms. Mary L. McDaniel P.E.,  
Director Southwest Region  
Pipeline and Hazardous Materials Safety Administration  
8701 S. Gessner, Suite 1110  
Houston, Texas 77074

**RE: In the Matter of Sabine Pass LNG, L.P., CPF 4-2021-002-NOPV, Notice of Probable Violation and Proposed Civil Penalty**

Dear Ms. McDaniel,

This letter constitutes the formal response of Sabine Pass Liquefaction, LLC (“Sabine Pass”) to the Amended Notice of Probable Violation and Proposed Civil Penalty CPF 4-2021-002 (“Amended NOPV”) issued by the Pipeline and Hazardous Materials Safety Administration (“PHMSA”) on September 16, 2021.

Sabine Pass has elected not to contest the violations alleged in the Amended NOPV and will submit payment by wire transfer in the amount of the proposed civil penalty per the details outlined in Paragraph IX of the “Response Options for Pipeline Operators in Enforcement Proceedings.”

All of the items outlined in the Amended NOPV have been thoroughly investigated and addressed. Below, Sabine Pass identifies the measures taken, in dialogue with PHMSA, to address the items listed in the Amended NOPV, which include:

- Implementing an industry-leading gas detection monitoring program on and around LNG tanks.
- Upgrading the instrument air dryer system to prevent freezing during low temperature events.
- Disabling the bottom fill valves at all tanks and implementing additional layers of protection on those valves.

### **Item 1 - Sabine Pass Response**

Sabine Pass does not contest the alleged NOPV Item 1. The Amended NOPV alleges that Sabine Pass “failed to monitor Tank S-103 to detect any malfunction which could cause a hazardous condition.” Since the time of the incident in January 2018, Sabine Pass has made improvements to the monitoring technology and to our procedures to address PHMSA’s concerns. Specifically, Sabine Pass continues to use leak detection sensors to monitor components and observes warnings from such sensors in an attended control center. Sabine Pass modified the temperature alarm set points for all LNG storage tanks at the facility and informed PHMSA of this change in July 2018. Furthermore, in cooperation with PHMSA, Sabine Pass has implemented an industry-leading gas detection monitoring program on and around each LNG tank.

### **Item 2 - Sabine Pass Response**

Sabine Pass does not contest the alleged NOPV Item 2. The Amended NOPV alleges that Sabine Pass “failed to design the valve and valve controls to allow operation under icing conditions.” In 2019, Sabine Pass upgraded the instrument air dryer system, increasing moisture removal capacity to prevent freezing in the instrument air supply during low temperature weather events.

### **Item 3 - Sabine Pass Response**

Sabine Pass does not contest the alleged NOPV Item 3. The Amended NOPV alleges that Sabine Pass “failed to review and update its procedures when the bottom fill valve was significantly changed to prevent the use of the bottom fill and the overall operation of the LNG storage tank.” Sabine Pass has revised applicable procedures to reflect that use of the bottom fill valve has been disabled. Furthermore, in close cooperation with PHMSA, Sabine Pass implemented additional levels of protection surrounding the bottom fill valves on all tanks at Sabine Pass. Specifically, through the Management of Change process, Sabine Pass physically disconnected instrument air from the bottom fill valve operators, installed a permanent internal engineered physical stop on the bottom fill valve operators to positively maintain the bottom fill valves in a closed position, installed alarmed temperature monitors downstream of the bottom fill valves to monitor and validate the flow isolation, and entered the appropriate components into a car seal program as an added measure of assurance. Sabine Pass has also updated relevant technical documentation, such as associated P&ID’s, to reflect the measures outlined above with respect to maintaining the bottom fill isolation valves shut.

In summary, Cheniere is committed to working with PHMSA at our facilities and appreciates you and your team’s time and engagement on this matter. We will continue to work with you in the interest of safe operations and maintaining the U.S. as a leader in the LNG industry. If you have any questions or require additional information, please do not hesitate to contact Tom Myers at (713) 375-5000 (phone).

Sincerely,

*Maas Hinz*

Mr. Maas Hinz  
Vice President and General Manager  
Sabine Pass Liquefaction, LLC

Cc: Mr. Aaron Stephenson, Senior Vice President, Operations, Cheniere Energy, Inc.  
Mr. Tom Myers, Vice President, HSE, Cheniere Energy, Inc.  
Mr. Michael Weller, Senior Counsel, Cheniere Energy, Inc.  
Ms. Melanie Lampton, Counsel, PHMSA Office of Pipeline Safety