

WARNING LETTER

ELECTRONIC MAIL - RETURN RECEIPT REQUESTED

January 11, 2022

Graham Bacon
Executive Vice President, Chief Operating Officer
Enterprise Products Operating LLC
1100 Louisiana Street
Houston, Texas 77002

CPF 4-2022-019-WL

Dear Mr. Bacon:

On April 27, 2021, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Enterprise Products Operating, LLC's (Enterprise) Tank Facility in Seymour, Indiana.

As a result of the inspection, it is alleged that Enterprise has 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. § 195.432 Inspection of in-service breakout tanks.

(a)...

(b) Each operator must inspect the physical integrity of in-service atmospheric and low-pressure steel above-ground breakout tanks according to API Std 653 (except section 6.4.3, *Alternative Internal Inspection Interval*) (incorporated by reference, *see* § 195.3). However, if structural conditions prevent access to the tank bottom, its integrity may be assessed according to a plan included in the operations and maintenance manual under § 195.402(c)(3). The risk-based internal inspection procedures in API Std 653, section 6.4.3 cannot be used to determine the internal inspection interval.

Enterprise failed to properly conduct routine inspections of the physical integrity of in-service atmospheric and low-pressure steel above-ground breakout tanks in accordance with API 653 section 6.3.1. During the field inspection in Seymour, Indiana, PHMSA observed four (4) holes under the base of Tank 3006, created by local burrowing wildlife. Enterprise's routine in-service tank inspection records did not note these holes, nor could it provide a repair plan or records. Following the inspection, Enterprise provided records documenting repairs were completed on Tank 3006.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$225,134 per violation per day the violation persists, up to a maximum of \$2,251,334 for a related series of violations. For violation occurring on or after January 11, 2021 and before May 3, 2021, the maximum penalty may not exceed \$222,504 per violation per day the violation persists, up to a maximum of \$2,225,034 for a related series of violations. For violation occurring on or after July 31, 2019 and before January 11, 2021, the maximum penalty may not 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.

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.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 4-2022-019-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: Suzie Davis, Manager, Pipeline Compliance, Enterprise Products Operating LLC,
smdavis@eprod.com