

WARNING LETTER

VIA ELECTRONIC MAIL TO: cynthia.hansen@enbridge.com

May 28, 2025

Ms. Cynthia Hansen
President and Chief Executive Officer
Transmission and Midstream
Enbridge Inc.
915 North Eldridge Parkway
Houston, Texas 77079

CPF 1-2025-012-WL

Dear Ms. Hansen:

From August 20 to August 22, 2024, of the on-site inspection, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Texas Eastern Gas Transmission's¹ (Texas Eastern) Accident Underground Natural Gas Storage in Garrett, Maryland.

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. **§ 192.12 Underground natural gas storage facilities.**
 - (a) . . .
 - (b) **Depleted hydrocarbon and aquifer reservoir UNGSFs.**
 - (1) . . .
 - (2) **Each UNGSF that uses a depleted hydrocarbon reservoir or an aquifer reservoir for natural gas storage and was constructed on or before July 18, 2017, must meet the provisions of API RP 1171 (incorporated by reference, see §192.7), sections 8, 9, 10, and 11, and paragraph (c) of this section, by January 18, 2018, and must meet all provisions of paragraph (d) of this section by March 13, 2021.**

¹ Texas Eastern Gas Transmission is a subsidiary of Enbridge Inc.

Texas Eastern failed to meet the provisions of American Petroleum Institute Recommended Practice 1171 (API RP 1171), Section 9. Specifically, Texas Eastern failed to document the annual operation of the master valve pursuant to API RP 1171, Section 9.3.2 (Section 9.3.2) in accordance with its own procedures and pursuant to API RP 1171, Section 9.8.1 (Section 9.8.1).

Section 9.3.2 states in part, “The operator shall test the operation of the master valve and wellhead pipeline isolation valve at least annually for proper function and ability to isolate the well.”

Section 9.8.1 states, “Inspections, tests, patrols, or analyses shall be documented according to the operator’s procedures.”

Texas Eastern’s procedure *Records Retention Schedule* (version 5, 8/1/2023), Section 4 Retention Rules and Matrix indicated records pertaining to Asset Management within Commodities and Facilities are kept for life of the asset plus 10 years.

During the inspection, PHMSA reviewed Texas Eastern’s valve records for the wells at the Accident Storage facility. For calendar year 2023, there were no test records for nine wells pertaining to testing the operation of their master valve for proper function and ability to isolate the well. These nine wells are Bach #1, Doerr #1, Frazee Bro #1, Friend #1, Hanlin #5, Margroff #1, Margroff #2, Mcculough #1, and Whiteface #2.

Therefore, Texas Eastern failed to meet the provisions of Section 9.8.1.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$272,926 per violation per day the violation persists, up to a maximum of \$2,729,245 for a related series of violations. For violation occurring on or after December 28, 2023 and before December 30, 2024, the maximum penalty may not exceed \$266,015 per violation per day the violation persists, up to a maximum of \$2,660,135 for a related series of violations. For violation occurring on or after January 6, 2023 and before December 28, 2023, the maximum penalty may not exceed \$257,664 per violation per day the violation persists, up to a maximum of \$2,576,627 for a related series of violations. For violation occurring on or after March 21, 2022 and before January 6, 2023, the maximum penalty may not exceed \$239,142 per violation per day the violation persists, up to a maximum of \$2,391,142 for a related series of violations. For violation occurring on or after May 3, 2021 and before March 21, 2022, the maximum penalty may not 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.

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 identified in this letter. Failure to do so will result in Texas Eastern Transmission, LP 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 1-2025-012-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,

Robert Burrough
Director, Eastern Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration