

April 30, 2026

Robert Burrough
Director, Eastern Region
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628

RE: CPF 1-2026-005-NOPV – Request for Informal Consultation

Dear Mr. Burrough,

MOEM Pipeline LLC (MOEM) received the referenced Notice of Probable Violation (NOPV) CPF 1-2026-005-NOPV issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA) on February 11, 2026. PHMSA performed an inspection between August 1, 2023, and April 19, 2024, and has made an allegation related to test lead wires as discussed further below.

In the NOPV, PHMSA alleges that MOEM failed to maintain the test lead wires in a condition that enables it to obtain electrical measurements to determine whether cathodic protection (CP) complies with 49 CFR Section 195.571, as required by Section 195.567(c). Specifically, PHMSA alleges that several CP test leads located in the waters and marshes off the coast of Louisiana had been lost or damaged due to boat incursions and/or hurricanes, preventing MOEM from taking annual CP readings between 2020 and 2023 as required by Section 195.573.

While MOEM, without admission, does not currently contest the allegations, the company is requesting an Informal Consultation with PHMSA to discuss its assumptions related to the NOPV's civil penalty assessment, and in advance of the Informal Consultation, share with PHMSA additional information that would warrant further consideration, particularly for the "Gravity" factor for the civil penalty assessment.

As background, the MOEM pipeline system is primarily a 14", 55-mile-long crude pipeline that begins at the Chevron Empire station and concludes at the Chalmette Refinery, which traverses remote coastal Louisiana terrain, including inland bays, marshes, and open shallow water, which are subject to hurricanes, navigable boat traffic, and shifting pipeline cover that may damage or impact the location of test leads. Despite the challenges to maintain CP test leads in these open-water environments, MOEM's integrity and cathodic protection information and data indicates that the pipeline CP system has been effective in limiting external corrosion.

Moreover, MOEM has also taken proactive alternative approaches to monitor and manage external corrosion threats. Specifically, MOEM has funded the development of a custom Cathodic Protection Current Mapping (CPCM) ILI tool while simultaneously performing a probing exercise to supplement test lead data. For example, in 2019, MOEM's CP contractor probed 50 locations within a 27-mile

stretch from the Augusta Bay test location to the Yscloskey rectifier. These probes resulted in readings above -1.0 V at all locations, exceeding the -0.85 V minimum criterion and indicating that sufficient current was present along those sections of the pipeline system. This indicates that MOEM's integrity and cathodic protection information and data support that the CP system has been effective in limiting external corrosion. In 2023, MOEM's ILI vendor ran high-resolution Axial Magnetic Flux Leakage (AMFL) and Circumferential MFL (CMFL) ILI tools through the pipeline. The data from these tools indicated that there were no external metal-loss features requiring repairs in the areas of the missing test leads, which also supported MOEM's 2019 probe readings. Additionally, any external anomalies that were detected in the 2023 ILI run were then evaluated via a Corrosion Growth Analysis against the prior MFL ILI and were determined not to require action before the next ILI run, which was originally planned for 2028. However, as part of the 2023 Integrity Assessment process, MOEM proactively shortened the integrity assessment interval from 5 years to 3 years, and completed one CMFL ILI tool and one AMFL ILI tool run in April 2026 to obtain updated signal-to-signal corrosion growth data and further assess the adequacy of the cathodic protection system.

Additionally, after further review of the MOEM pipeline CP program, it was determined that one of the test leads that was missing (SONAT Xing) is a connection to a third-party operator and did reflect or impact the cathodic corrosion of the MOEM pipeline. This test lead was included in MOEM's CP program as a best practice to ensure any potential third-party CP systems are not interfering with the pipeline system. Therefore, the alleged "Number of instances of violation" in the NOPV should be listed as 15 instead of 19.

Finally, MOEM has taken proactive actions to further address past monitoring challenges. MOEM has located three of the six previously missing test leads and is obtaining more accurate GPS coordinates to help technicians reliably locate essential test leads going forward. MOEM has continued the development of a CPCM tool, which is now scheduled to be launched in the MOEM pipeline June 2026. In the interim, MOEM has continued to closely monitor the CP system through its annual CP survey program, which was completed in March 2026, and has successfully run expedited AMFL and CMFL ILI tools in April 2026. Lastly, once the CPCM data has been analyzed, MOEM will process a Management of Change (MOC) to address any remaining missing test leads and incorporate any resulting program improvements needed to strengthen the CP monitoring program.

Based on MOEM's cathodic protection information/data and the additional proactive integrity data collected, MOEM believes that this supports that the pipeline's external protection systems are in good working condition, and that the missing test leads and subsequent missing annual readings at those locations did not materially increase the risk of a potential release from external corrosion. Therefore, MOEM respectfully requests that PHMSA reconsider whether the current Gravity score of 17 is appropriate and instead should be 1, as the field, inspection, and engineering information and data, together with the lack of demonstrated corrosion impact, supports the NOPV Proposed Civil Penalty Worksheet's conclusion of "Pipeline Safety was minimally affected, notwithstanding the conditions above".

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In closing, MOEM is committed to the safe operation of its pipeline system and continued improvement of its cathodic protection and integrity management practices. MOEM appreciates the opportunity to provide PHMSA with this additional information and data in advance of an Informal Consultation to discuss PHMSA's civil penalty calculations related to the NOPV.

If the information provided in this letter is adequate for the informal consultation, please provide some dates and times and I'll set up a conference call to discuss. If you have any questions, or need additional information, please feel free to contact me at 281-602-4224.

Respectfully,

A handwritten signature in blue ink, appearing to read "Thomas J. McLane", with a stylized flourish extending from the end.

Thomas J. McLane

Director, PBF Logistics Regulatory Compliance