



U.S. Department
of Transportation

**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue SE
Washington, DC 20590

FEB 27 2017

Mr. A. James Teague
Director and Chief Executive Officer
Enterprise Products Partners, LP
1100 Louisiana Street, 10th Floor
Houston, TX 77002

Re: CPF No. 2-2016-5002

Dear Mr. Teague:

Enclosed please find the Final Order issued in the above-referenced case to your subsidiary, Enterprise Products Operating, LLC (Enterprise). It makes one finding of violation and specifies actions that need to be taken by Enterprise to comply with the pipeline safety regulations. When the terms of the compliance order have been completed, as determined by the Director, Southern Region, this enforcement action will be closed. Service of the Final Order by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. James A. Urisko, Director, Southern Region, OPS
Mr. Graham Bacon, Group SVP, Operations EHS&T, Enterprise Products Operating,
LLC

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

¹ See www.enterpriseproducts.com. Current as of November 21, 2016.

- (a) . . .
- (b) Ensure through evaluation that individuals performing covered tasks are qualified; . . .

The Notice alleged that Respondent violated 49 C.F.R. § 195.505(b) by failing to have and follow a written qualification program with provisions to ensure through evaluation that individuals performing certain covered tasks were qualified to perform them. The Notice had three specific allegations of violation. First, it alleged that Enterprise's OQ program (Plan) identified two distinct phases of qualification, i.e., the initial qualification and subsequent requalifications, and that the approved qualification methods for both could be found in Appendix A of the Plan. The Notice alleged, however, that Appendix A was not only out of date but that the approved qualification methods were contained in ISNetwork, Enterprise's OQ record repository and data management system, and not in Appendix A.

Second, the Notice alleged that both Appendix A of the Plan and ISNetwork listed certain NACE International Institute (NACE) certification courses as acceptable evaluation methods for specific covered tasks, even where the courses "did not provide evaluations related to the covered task." The Notice provided certain examples of NACE certifications that allegedly did not include an evaluation of a student's ability to perform those tasks. In addition, the Notice alleged that Appendix A of the Plan listed 43 covered tasks that referenced various NACE certifications as acceptable evaluation methods, but that the listed NACE certifications did not meet the regulatory requirements as acceptable evaluation methods for re-qualification and that the NACE certification process did not evaluate the ability of an individual to perform covered tasks.

Third, the Notice alleged that Appendix A listed several NACE courses that were no longer available as evaluation methods. Specifically, Enterprise's covered task list, as specified in the NOPV, identified certain NACE OQ Assessments and Pipeline Corrosion Introductory Training courses that were no longer offered by NACE and had not been available for several years.

Even though Enterprise did not formally contest this Item, I have reviewed the record and believe that some clarification of the Notice would be appropriate. While NACE certifications can be used by operators to evaluate an individual's ability to perform certain covered tasks, their use is entirely dependent upon how an operator's Plan is written and how the covered tasks are defined. In this case, Enterprise's Plan called for certain NACE courses to be utilized to evaluate *both* the individual's level of knowledge and the person's ability to perform the Enterprise-identified covered tasks specifically listed in the Notice. While the NACE courses identified in the Notice may be sufficient to satisfy Enterprise's evaluation requirements and the requirements of § 195.505, the Plan in this case failed to describe how the relevant NACE courses fully or properly served to evaluate both the knowledge and performance level of an individual to conduct these specific tasks.

Based upon the findings above that portions of the Plan were inaccurate and out-of-date, I find that Respondent violated 49 C.F.R. § 195.505(b) by failing to have and follow a written qualification program with provisions to ensure, through evaluation, that individuals performing certain covered tasks were qualified to perform them. Further, based upon the findings above that

the Plan failed to describe how the NACE courses identified in the Notice evaluated *both* the knowledge and performance of an individual to perform Enterprise-identified covered tasks, I find that Respondent violated 49 C.F.R. § 195.505(b) by failing to have and follow a written qualification program with provisions to ensure through evaluation that individuals performing certain covered tasks were qualified to perform them.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 1 in the Notice for a violation of 49 C.F.R. § 195.505(b). Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations:

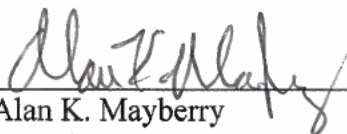
1. With respect to the violation of § 195.505(b) (Item 1), Respondent must, within 60 days of the issuance of the Final Order, complete the following:
 - a. Review and update the OQ Plan to ensure that all Enterprise-approved evaluation methods (i.e., for initial qualification and/or requalification) for all corrosion-related covered tasks are accurately listed or referenced in the OQ Plan. For each covered task, this should include the evaluation method, including combinations of evaluation methods, and identifying when multiple service providers or other sources are used; and
 - b. For all covered tasks listing NACE certification as an evaluation method, Enterprise must verify with NACE that any courses administered by NACE include knowledge-based evaluations and/or performance-based evaluations, in accordance with the Enterprise OQ Plan, and that they are appropriate to conducting the specific covered task.
2. Within 90 days of the issuance of the Final Order, Enterprise must submit to the Director documentation demonstrating satisfactory completion of Item 1, including, at a minimum, a list of covered tasks reviewed and evaluation methods that were changed.
3. In addition, Respondent is requested (not mandated) to maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Mr. James A. Urisko, Director, Southern Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses; and 2) total cost associated with replacements, additions and other changes.

to pipeline infrastructure.

The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent and demonstrating good cause for an extension.

Failure to comply with this Order may result in the administrative assessment of civil penalties as set forth in 49 C.F.R. § 190.223 for each violation for each day the violation continues or in referral to the Attorney General for appropriate relief in a district court of the United States.

The terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.



Alan K. Mayberry
Associate Administrator for Pipeline Safety

FEB 27 2017

Date Issued