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June 29, 2026

Mr. James A. Urisko
Director, Southern Region
Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration

Subject: Response to Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order Case No. CPF 2-2026-001-NOPV

Dear Mr. Urisko:

Pipeline of Puerto Rico, Inc. (PLPR) hereby submits this response to the Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (NOPV) issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA) in Case No. CPF 2-2026-001-NOPV.

PLPR appreciates the opportunity to respond and respectfully requests that PHMSA consider resolving this matter through a Consent Agreement. PLPR also requests the opportunity to discuss a reduction or elimination of the proposed civil penalty based upon the corrective actions completed, the company's cooperation throughout the inspection process, and its demonstrated commitment to regulatory compliance and continuous improvement.

PLPR accepts responsibility for the probable violation associated with **49 CFR §195.402 Procedural manual for operations, maintenance, and emergencies**, concerning liaison activities with appropriate emergency response agencies.

PLPR also accepts responsibility for the probable violation **49 CFR §195.420 Valve Maintenance** identified during the field inspection involving Mainline Valve No. 3 located at Parque Central, San Juan, which was found in the open position but could not be readily operated when inspectors requested a valve movement demonstration.

Regarding the liaison activities violation, PLPR personnel have been unable to locate records documenting meetings or other supporting evidence of liaison activities conducted with emergency response agencies during the period from 2018 through 2023. In 2024, PLPR experienced a change in management, and certain historical records were either not transferred or were not adequately maintained.

Recognizing these deficiencies, PLPR implemented significant corrective actions. Beginning in 2024, the company substantially revised and strengthened its Public Awareness Program

(PAP). Additionally, PLPR established and implemented formal document control, records management, and retention program designed to ensure the proper creation, maintenance, traceability, and retention of all regulatory and operational records. This new approach has resulted in significant improvements in the organization's ability to document and retain records associated with compliance activities.

During 2024 and 2025, PLPR executed its Public Awareness Program in accordance with the procedures established in its Operations and Maintenance Manual and in compliance with applicable regulatory requirements. The organization remains committed to continuously strengthening both the execution and documentation of the program.

As evidence of the active implementation of the Public Awareness Program, upon request PLPR can provide annual PAP reports documenting outreach activities conducted within residential and commercial areas and with public safety and emergency response agencies. These reports include participant lists, signatures, and photographic evidence demonstrating the performance of these activities.

The 2026 Public Awareness Program is scheduled for completion no later than October 2026. As part of PLPR's ongoing commitment to continuous improvement, audiovisual materials, including videos, will be incorporated into future PAP activities to further enhance documentation, traceability, and communication effectiveness.

With respect to Mainline Valve No. 3, corrective actions were promptly initiated following the inspection. On April 23, 2024, the valve was repaired by ENSYSA Power Service. Following completion of the repairs, the valve was successfully tested and verified to be fully operational throughout its complete operating range, from fully closed (0%) to fully open (100%). Documentation supporting these corrective actions, including photographs of the repair process and the associated service invoice, is available for PHMSA review.

In addition, beginning in June 2024, PLPR implemented an enhanced preventive maintenance program for all mainline valves. Under this program, all mainline valves are cleaned, lubricated, and fully exercised at least twice annually, with intervals not to exceed seven and one-half (7.5) months.

All valve maintenance activities are fully documented and maintained in company records. These records include detailed documentation of cleaning, lubrication, operational testing, and full-stroke exercising of each valve throughout its complete operating range.

PLPR respectfully submits that these corrective actions demonstrate the company's commitment to compliance, public safety, and continuous improvement. The identified deficiencies have been corrected, and sustainable processes have been implemented to prevent recurrence.

Accordingly, PLPR respectfully requests that PHMSA consider resolving this matter through a Consent Agreement and further requests the opportunity to discuss reduction or elimination of the proposed civil penalty in recognition of the corrective actions completed, PLPR's

cooperation during the inspection process, and the company's proactive efforts to enhance regulatory compliance.

PLPR remains committed to operating its pipeline system in a safe and environmentally responsible manner and to maintaining full compliance with all applicable PHMSA regulations.

Should PHMSA require any additional information or supporting documentation, PLPR will promptly provide such information upon request.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Gregory D. Lipscomb', with a stylized flourish at the end.

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