



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

April 26, 2023

VIA ELECTRONIC MAIL TO: matt@tallgrass.com

Mr. Matthew Sheehy
President and Chief Executive Officer
Tallgrass Energy, LP
370 Van Gordon Street
Lakewood, Colorado 80228

Re: CPF No. 3-2022-043-NOPV

Dear Mr. Sheehy:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation and finds that the civil penalty amount of \$29,700 has been paid in full. This case is now closed. Service of the Final Order by e-mail is effective upon the date of transmission and acknowledgement of receipt as provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

ALAN KRAMER MAYBERRY
Digitally signed by ALAN
KRAMER MAYBERRY
Date: 2023.04.25
16:42:25 -04'00'

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosures (Final Order and NOPV)

cc: Mr. Gregory A. Ochs Director, Central Region, Office of Pipeline Safety, PHMSA
Ms. Jennifer Eckels, Manager, Compliance, Tallgrass Energy, jennifer.eckels@tallgrass.com
Ms. Crystal Heter, Chief Operating Officer, Tallgrass Energy, crystal.heter@tallgrass.com
Mr. Brad Armsbury, Compliance Engineer, Tallgrass Energy, brad.armsbury@tallgrass.com

CONFIRMATION OF RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

In the Matter of	)	
	)	
	)	
Rockies Express Pipeline, LLC,	)	CPF No. 3-2022-043-NOPV
a subsidiary of Tallgrass Energy, LP,	)	
	)	
Respondent.	)	
	)	

FINAL ORDER

On September 22, 2022, pursuant to 49 C.F.R. § 190.207, the Director, Central Region, Office of Pipeline Safety (OPS), issued a Notice of Probable Violation (Notice) to Rockies Express Pipeline, LLC (Respondent), a subsidiary of Tallgrass Energy, LP. The Notice proposed finding that Respondent had violated the pipeline safety regulations in 49 C.F.R. Part 192 and proposed a civil penalty of \$29,700. Respondent did not contest the allegations of violation, and submitted information regarding actions taken to address the items described in the Notice and to improve its practices and procedures.¹ Respondent paid the proposed civil penalty on October 11, 2022.

Based upon a review of all of the evidence, pursuant to § 190.213, I find Respondent violated the pipeline safety regulation listed below, as more fully described in the enclosed Notice, which is incorporated by reference:

49 C.F.R. § 192.465(a) (**Item 1**) – Respondent failed to test each pipeline under cathodic protection at least once each calendar year, but with intervals not exceeding 15 months.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent. In accordance with 49 C.F.R. § 190.223, Respondent is assessed the proposed civil penalty amount of \$29,700, which Respondent has already paid in full.

¹ See Respondent's October 21, 2022, reply to the Notice; *available online at*: https://primis.phmsa.dot.gov/comm/reports/enforce/CaseDetail_cpf_32022043NOPV.html?nocache=5170. In short, Respondent stated that after discovering the issue, it conducted analyses to confirm there were no corrosion-related safety issues that required remediation and also implemented remedial actions to prevent the recurrence of the corrosion survey and data issues, including additional training, improvements to procedures, and other updates.

Warning Item

With respect to **Item 2**, the Notice alleged a probable violation of 49 C.F.R. § 192.465(c) but did not propose a civil penalty or compliance order for this item. Therefore, this is considered to be a warning item. If OPS finds a violation of this provision in a subsequent inspection, Respondent may be subject to future enforcement action.

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

ALAN KRAMER
MAYBERRY

Digitally signed by ALAN KRAMER
MAYBERRY
Date: 2023.04 25 16:42 04 -04'00'

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

April 26, 2023

Date Issued



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety Administration**

901 Locust Street, Suite 480
Kansas City, MO 64106

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED CIVIL PENALTY**

VIA ELECTRONIC MAIL TO: bill.moler@tallgrassenergyllp.com;
jennifer.eckels@tallgrassenergyllp.com; and crystal.heter@tallgrassenergyllp.com

September 22, 2022

Mr. William Moler
President and Chief Executive Officer
Rockies Express Pipeline, LLC
4200 W. 115th Street, Suite 350
Leawood, KS 66221-2609

CPF 3-2022-043-NOPV

Dear Mr. Moler:

From February 6 through November 19, 2020, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected Rockies Express Pipeline, LLC's (Tallgrass) records in Lakewood, Colorado.

As a result of the inspection, it is alleged that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violations are:

1. § 192.465 External corrosion control: Monitoring.

(a) Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of § 192.463. However, if tests at those intervals are impractical for separately protected short sections of mains or transmission lines, not in excess of 100 feet (30 meters), or separately protected

service lines, these pipelines may be surveyed on a sampling basis. At least 10 percent of these protected structures, distributed over the entire system must be surveyed each calendar year, with a different 10 percent checked each subsequent year, so that the entire system is tested in each 10-year period.

Tallgrass failed to test each pipeline under cathodic protection at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of § 192.463. On November 18, 2020, Tallgrass provided a list that contained electrical test stations that were not tested at the required intervals for calendar years 2018-2019.

Segment	Mile Post / Station	Number of Instances
2820	10	2
2820	20	2
2820	30	2
2820	40	2
2820	60	2
2820	70	2
2820	80	2
2820	100	2
2820	110	2
2820	140	2
2820	230	2
2820	280	2
2820	320	2
2820	330	2
2820	340	2
2820	350	2
140010000	13182+38	1

Tallgrass failed to inspect multiple electrical test stations for multiple calendar years for a total number of 33 missed inspections.

2. § 192.465 External corrosion control: Monitoring.

(a)

(c) Each reverse current switch, each diode, and each interference bond whose failure would jeopardize structure protection must be electrically checked for proper performance six times each calendar year, but with intervals not exceeding 2 1/2 months. Each other interference bond must be checked at least once each calendar year, but with intervals not exceeding 15 months

Tallgrass failed to electrically check for proper performance each reverse current switch, diode, and interference bond whose failure would jeopardize structure protection six times each

calendar year, but with intervals not exceeding 2 ½ months. On November 18, 2020, Tallgrass provided a list critical bonds that were not inspected in the required intervals to insure proper performance.

Segment	Mile Post / Station	HCA (Y or N)	Identified Discrepancies? (Rectifier, Critical Bond, Non Critical or Annual Reading)	Missing Record or Inspection not conducted in the required interval	Inspection or Records	Dates (Years or Months) of Missing Inspection	Number of Inspections	Discrepancy lasted more than 10 days (Y or N)
140010000	13871+32	N	Critical Bond	Missed 2 5 Month and 6 Readings/calendar year	Both	2018	1	No
140010000	15497+43	N	Critical Bond	Missed Calendar Year and 2 5 Month Interval	Both	2019	1	No
140010000	555	N	Critical Bond	Missed Calendar Year and 2 5 Month Interval	Both	2019	1	No

Proposed Civil Penalty

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 documentation involved for the above probable violations and recommend that you be preliminarily assessed a civil penalty of \$29,700 as follows:

<u>Item number</u>	<u>PENALTY</u>
1	\$29,700

Warning Item

With respect to item 2, we have reviewed the circumstances and supporting documents involved and have decided not to conduct an additional enforcement action or penalty assessment proceeding at this time. We advise you to promptly correct this item. Failure to do so may result in an additional enforcement action.

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Enforcement Proceedings*. Please refer to this document and note the response options. All material you submit in response to this enforcement action may be 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).

Following the receipt of this Notice, you have 30 days to submit written comments, or request a hearing under 49 CFR § 190.211. If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order. If you are responding to this Notice, we propose that you submit your correspondence to my office within 30 days from the receipt of this Notice. This period may be extended by written request for good cause.

In your correspondence on this matter, please refer to **CPF 3-2022-043-NOPV** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Gregory A. Ochs
Director, Central Region, OPS
Pipeline and Hazardous Materials Safety Administration

Enclosures: *Response Options for Pipeline Operators in Enforcement Proceedings*

cc: Jennifer Eckles, Director Compliance, jennifer.eckels@tallgrassenergyllp.com
Crystal Heter, Chief Operating Officer, crystal.heter@tallgrassenergyllp.com