

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

**VIA ELECTRONIC MAIL TO:** [bill.moler@tallgrassenergyllp.com](mailto:bill.moler@tallgrassenergyllp.com);  
[jennifer.eckels@tallgrassenergyllp.com](mailto:jennifer.eckels@tallgrassenergyllp.com); and [crystal.heter@tallgrassenergyllp.com](mailto: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](mailto:jennifer.eckels@tallgrassenergyllp.com)  
Crystal Heter, Chief Operating Officer, [crystal.heter@tallgrassenergyllp.com](mailto:crystal.heter@tallgrassenergyllp.com)