

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: matt@tallgrass.com; crystal.heter@tallgrass.com;
Danielle.stephens@tallgrass.com

November 22, 2024

Matt Sheehy
President & Chief Executive Officer
Tallgrass Energy, LP
370 Van Gordon Street
Lakewood, CO 80228

CPF 3-2024-041-NOA

Dear Mr. Sheehy:

From February 2, 2023, to December 10, 2023, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected on-site Rockies Express Pipeline LLC's (REX) procedures for the operations and maintenance of the natural gas pipeline in Lakewood, Colorado. REX is a subsidiary of Tallgrass Energy, LP.¹

As a result of the inspection, PHMSA has identified the apparent inadequacy found within REX's plans or procedures. The item inspected and the inadequacy identified is described below:

1. § 192.13 What general requirements apply to pipelines regulated under this part.

(a)

(c) Each operator shall maintain, modify as appropriate, and follow the plans, procedures, and programs that it is required to establish under this part.

REX's manual of written procedures was inadequate because it did not make clear when the operating procedures required to be established under this part were required to be followed, per the requirements of § 192.13(c). Specifically, REX's procedures failed to ensure all appropriate company requirements were met prior to starting up a new or changed facility because they did not properly define commencement of operations (e.g., pipeline startup).

¹ See <https://pipeline.tallgrassenergyllp.com/Pages/Content.aspx?pipeline=501&type=SMRY>.

PHMSA found that REX utilized its Operations & Maintenance (O&M) Procedure, entitled “OM156_GL Pre-Startup Safety Reviews” (OM156_GL), to address completion of procedural items affecting facility safety before startup. However, the procedure did not define “startup.” REX personnel stated during the inspection that startup occurred upon “delivery or receipt” of gas to a third party (e.g., commercial delivery). However, PHMSA found during its review that gas had been introduced into the lateral approximately 8 months prior to commercial delivery.

PHMSA verified from a review of REX’s startup checklist, “O&M Form OM100-14 GL-Pre-Startup Safety Review Checklist” (Form OM100-14 GL), that the safety items on the checklist were not verified before gas was transported into the pipeline, but rather months afterward. Consequently, REX’s failure to adequately define “startup” in its O&M Procedure resulted in a failure to ensure safety checks were documented prior to operation.

REX must revise its procedures to clearly define “startup,” to ensure that all necessary procedures and programs required for safety under Part 192 are prepared and followed as soon as gas is introduced into the regulated facility.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. 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.

Be advised that all material you submit in response to this enforcement action is subject to being 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, revised procedures, or a request for a hearing under § 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 an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested that REX maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Gregory A. Ochs, Director, Central, Pipeline and Hazardous Materials Safety

Administration. In correspondence concerning this matter, please refer to **CPF 3-2024-041-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

cc: Crystal Heter, Chief Operating Officer, Tallgrass Energy, LP
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Danielle Stephens, Director, PHMSA Compliance, Tallgrass Energy, LP
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Enclosure: *Response Options for Pipeline Operators in Enforcement Proceedings*