



U.S. Department  
of Transportation

**Pipeline and  
Hazardous Materials Safety  
Administration**

8701 S. Gessner, Suite 630  
Houston, TX 77074

## **NOTICE OF AMENDMENT**

### **CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

November 2, 2017

Mr. Bacon Graham  
Executive Vice President  
Enterprise Products Operating  
1100 Louisiana Street,  
Houston Texas 77002

**CPF 4-2017-5036M**

Dear Mr. Graham:

On January 09, 2017 through May 24, 2017, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Enterprise Products Operating LLC (Enterprise) procedures for Operations and maintenance in Houston, Texas.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Enterprise's plans or procedures, as described below:

**1. 195.505– Qualification Program**

**Each operator shall have and follow a written qualification program. The program shall include provisions to**

- (i) After December 16, 2004, notify the Administrator or a state agency participating under 49 U.S.C. Chapter 601 if operator significantly modifies the program after the administrator or state agency has verified that it complies with this section. Notifications to PHMSA may be submitted by electronic mail to [informationResourcesManager@dot.gov](mailto:informationResourcesManager@dot.gov) or by mail to ATTN: Information Resources Manager DOT/PHMSA? OPS, East Building, 2nd Floor, E22-321, New Jersey Avenue SE., Washington, DC 20590.**

Enterprise Products Operating LLC failed on separate occasions in its process for notifying PHMSA of significant changes made to the OQ program. First instance was a failure in communicating across changes operator considered significant in 2011(3/16/2011) as shown on the OQ Addendum within the plan. while on the other hand operator notified PHMSA in 2012, 2013, 2014 and 2016 of changes that operator did not consider significant (referenced within Addendum as not considered significant). Another failure of the process as seen in the Addendum within the OQ plan are records of some changes made within the plan that were not considered significant such as the removal of T2 training and qualification methods for various tasks (on 03/25/2010) that have been clarified in PHMSA's ADB-09-0349 and should have been considered significant.

These occurrences (notifications for non-significant changes and no notifications for significant changes) can be attributed to the lack of definition and clarification within the plan for what Enterprise considers to be significant changes. Enterprise has failed to update its OQ program to include a definition or clarification for what constitutes a significant change and has not incorporated into its OQ plan clarifications set forth as significant in PHMSA's ADB 2009-0349 and required in 192.805 (i).

**2. 195.452 – Pipeline Integrity management in high consequence areas**

- (e) What are the risk factors for establishing an assessment schedule (for both the baseline and continual integrity assessments)?**
- (1) An operator must establish an integrity assessment schedule that prioritizes pipeline segments for assessment (see paragraphs (d)(1) and (j)(3) of this section). An operator must base the assessment schedule on all risk factors that reflect the risk conditions on the pipeline segment. The factors the operator must consider include but are not limited to:**

In reviewing Enterprise's Line Pipe Risk Analysis procedure (2-01L) in section 2-01.2.4 under the topic of "updating risk assessment" it shows that all risk factors being considered may not reflect the risk conditions on the pipeline segment at any given time as required under the pipeline safety rules. Reason being that while the procedure states under 2-01.2.1.1 of the section that "The Pipeline Integrity Engineering Manager, Pipeline Integrity Engineering Supervisor, or Pipeline Integrity Engineer is responsible, on an annual basis, for reviewing the risk results on line pipe segment(s) in which data for the "significant" risk factors have changed. The same section of the procedure under 2-01.2.1.4 then states that "the need to update the risk results once every 5 years would be evaluated by either the Pipeline Integrity Engineering Manager, Pipeline Integrity Engineering Supervisor, or Pipeline Integrity Engineer". This procedure needs to be updated to reflect the need to update risk results in which data for the significant risk factors are discovered to have changed after the risk analysis within a more reasonable time frame and that reflects the current practice (Enterprise's personnel stated the updates are actually carried out more frequently than stated in the procedure).

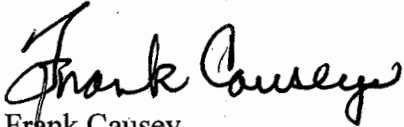
#### Response to this Notice

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 Compliance 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 (not mandated) that Enterprise Products Operating LLC maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Terri Binns, Acting Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 4-2017-5036M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Causey". The signature is fluid and cursive, with the first name "Frank" and last name "Causey" clearly distinguishable.

Frank Causey  
Acting Director, Southwest Region  
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*