

WARNING LETTER

ELECTRONIC MAIL - RETURN RECEIPT REQUESTED

October 2, 2020

P. Brian Nielsen
Vice President of Operations
Third Coast Midstream, LLC
P.O. Box 1227
Houston, Texas 77251

CPF 4-2020-003-WL

Dear Mr. Nielsen:

On September 24, 2020, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), in preparation for a planned inspection, reviewed an Operator National Registry Notification Form D (OMB No. 2137-0627) submitted on May 22, 2020, by Third Coast Midstream, LLC.

As a result of the review, it is alleged that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The item reviewed, and the probable violation is:

1. §191.22 National Registry of Pipeline and LNG operators

(c) Changes. Each operator of a gas pipeline, gas pipeline facility, underground natural gas storage facility, LNG plant or LNG facility must notify PHMSA electronically through the National Registry of Pipeline, Underground Natural Gas Storage Facility, and LNG Operators at <http://opsweb.phmsa.dot.gov> of certain events.

(2) An operator must notify PHMSA of any of the following events not later than 60 days after the event occurs:

(iv) The acquisition or divestiture of 50 or more miles of a pipeline or pipeline system subject to part 192 of this subchapter; or..

Third Coast Midstream failed to notify PHMSA of its acquisition of the Chandeleur Pipeline as required by §191.22 (c)(2)(iv). According to information provided on the Operator National Registry Notification Form D, Third Coast Midstream obtained the Chandeleur Pipeline from Enlink Processing Services on October 31, 2019. Notice to PHMSA's National Registry was not provided until May 22, 2020, 144 days beyond the required 60 day notification period.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to 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. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 for a related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the items identified in this letter. Failure to do so will result in, Third Coast Midstream, LLC, being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to CPF 4-2020-003-WL. 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).

Sincerely,

Mary L. McDaniel, P.E.
Director, Southwest
Region
Pipeline and Hazardous Materials Safety Administration