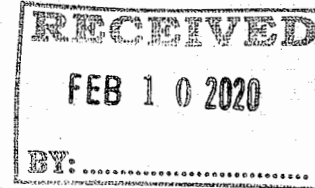




1-27-19

Mary L. McDaniel, P.E.
Director, Southwest Region
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Office of Pipeline Safety
8701 S. Gessner, Suite 630
Houston, TX 77074



Via email: mary.mcdaniel@dot.gov
Via Certified Mail – Return Receipt Requested

**Re: CPF 4-2020-1001M; Freeport LNG Development, L.P.
Notice of Amendment**

Dear Ms. McDaniel:

This letter is in response to referenced Notice of Amendment dated January 13, 2020 and describes the modification Freeport LNG Development, L.P. (FLNG) has incorporated to correct the alleged deficiencies:

1. §192.605 Procedural manual for operations, maintenance, and emergencies.

"FLNG failed to establish written procedures for the abandonment or deactivation of facilities in accordance with §192.727(g) to require the filing of an abandonment report to the National Pipeline Mapping System (NPMS)."

A new Paragraph 2.6.3 has been added to Subsection 2.0 FLNG NATURAL GAS PIPELINE OPERATION of Section No.6: Operations of FLNG's Gas Pipeline Operations and Maintenance Manual (FLNG-GOM-100):

- 2.6.3 FLNG has no offshore pipelines. In the event that FLNG abandons any Part 192 pipeline that that crosses over, under or through the intracoastal waterway or any other commercially navigable waterway, FLNG will report the abandonment to the National Pipeline Mapping System (NPMS) in accordance with the NPMS "Standards for Pipeline and Liquefied Natural Gas Operator Submissions" in effect at the time of the abandonment. (§192.727(g))

The old Paragraph 2.6.3 will be re-numbered as Paragraph 2.6.4.

Freeport LNG Development, L.P.

1500 Lamar Street • Quintana, Texas 77541 • Phone: 979-415-8700 • Fax: 979-415-8733

"FLNG failed to establish written procedures for pressure limiting and regulating stations in accordance with §192.743."

Paragraph 2.6 of Subsection 2.0 DESIGN AND CONSTRUCTION of Section No. 5: DESIGN AND CONSTRUCTION of FLNG's Gas Pipeline Operations and Maintenance Manual (FLNG-GOM-100) has been modified to read:

2.6 Overpressure Protection:

- 2.6.1 Overpressure protection equipment (pressure relief devices) shall comply with 49 CFR §192.743 Pressure limiting and regulating stations: Capacity of relief devices.
- 2.6.2 Pressure relief devices must have sufficient capacity to protect the facilities to which they are connected. (§192.743(a))
- 2.6.3 Each pressure relief device must be inspected and tested (by testing in place or by review and calculations) at least once each calendar year (not to exceed 15 months) to assure that it is: (1) in good mechanical condition; (2) adequate from the standpoint of capacity and reliability of operation; (3) set to control or relieve at the correct pressure [the pressure may not exceed MAOP plus 10 percent or a pressure that produces a hoop stress of 75% of SMYS, whichever is lower (§192.201)]; and (4) properly installed and protected from dirt, liquids, or other conditions that might prevent proper operation. (§192.739(b) does not apply to FLNG pipelines – none have a MOP greater than 72% SMYS and the hoop stress for every FLNG pipeline is known).
- 2.6.4 If review and calculations are used to determine if a pressure relief device has sufficient capacity, the calculated capacity must be compared with the rated relieving capacity of the device for the conditions under which it operates. (FLNG does not experimentally determine pressure relieving capacities). After initial calculations, subsequent calculations need not be made if the annual review documents that parameters have not changed to cause the rated relieving capacity to be insufficient. (§192.743(b))
- 2.6.5 If a pressure relief device is of insufficient capacity, a new or additional device must be installed to provide the capacity required. (§192.743(c))

2. §192.605 Procedural manual for operations, maintenance, and emergencies.

"FLNG failed to establish written procedures for periodically reviewing the response of operator personnel to determine the effectiveness of the procedures controlling abnormal operation and taking corrective action where deficiencies are found."

A new Paragraph 5.6 has been added to Subsection 5.0 NOTICES OF EVENTS AND ABNORMAL OPERATING CONDITIONS of Section No. 10: EMERGENCY PLAN of FLNG's Gas Pipeline Operations and Maintenance Manual (FLNG-GOM-100):

- 5.6 The effectiveness of procedures involving abnormal operation and taking corrective action where deficiencies are found (including personnel performance) will be reviewed at least once each calendar year (NTE 15 months). (§192.605(c)(4))

3 §192.615 Emergency Plans.

"FLNG's written Emergency Plan does not include training for the appropriate operating personnel to ensure that they are knowledgeable of the emergency procedures as required by §192.615(b)(2)."

The introductory paragraph of Subsection 7.0 PERSONNEL, EQUIPMENT, TOOLS AND MATERIALS of Section No. 10: EMERGENCY PLAN of FLNG's Gas Pipeline Operations and Maintenance Manual (FLNG-GOM-100) has been modified to read as follows:

FLNG shall provide, as available, personnel, equipment, tools and materials as needed at the scene of the emergency. All personnel with assigned emergency responsibilities shall be trained with respect to the relevant emergency procedures (i.e., will be qualified to perform assigned emergency responsibilities under the FLNG Operator Qualification Plan). Qualification to perform a covered task under the FLNG OQ plan is considered verification that the training is effective. Personnel performance will be evaluated as part of the post incident analysis. (see Paragraph 9.1.2, of Subsection 9.0, below). (§192.615(b)(2))

4 §192.615 Emergency Plans.

"FLNG must amend the Emergency Plan to include a review of employee activities to determine that procedures were effectively followed in each emergency and must include a provision for documentation of that review."

A new Paragraph 9.4 has been added to Subsection 9.0 SAFELY RESTORING PIPELINE OPERATIONS of Section No. 10: EMERGENCY PLAN of FLNG's Gas Pipeline Operations and Maintenance Manual (FLNG-GOM-100):

- 9.4 Post-Incident Analysis shall include, but is not limited to, a documented review of employee activities to determine that procedures were effectively followed in each emergency. (§192.615(b)(2))

5. **§192.805 Qualification Program.**

"FLNG's Operator Qualification (OQ) program was inadequate because it failed to define 'significant' and provide PHMSA's accurate email or mailing address."

Paragraph 3.11.1, of FLNG-OQM-100 Pipeline Operator's Qualification Program has been modified to read as follows:

Notify the appropriate Federal and State Agencies of all significant Operator Qualification Written Program changes once reviewed and approved by the Operations/Terminal Supervisor. "Significant" includes but is not limited to: increasing evaluation intervals, increasing span of control ratios, eliminating covered tasks, mergers and/or acquisition changes evaluation method changes such as written vs. observation, and wholesale changes made to this OQ plan. (ADB-09-03, 74 FR 64123 &124, 12/7/2009).

Addresses:

Office of Pipeline Safety:

ATTN: Information Resources Manager DOT/PHMSA/OPS
U.S. Department of Transportation
East Building, 2nd Floor, E22-321
New Jersey Avenue SE.
Washington, DC 20590

or by electronic mail to: InformationResourcesManager@dot.gov
(§192.805(i))

Railroad Commission of Texas:

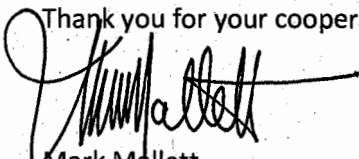
Railroad Commission of Texas
1701 North Congress
P.O. Box 12967
Austin, Texas 78711-2967

or by electronic mail to: safety@rrc.texas.gov

Copies of each affected page are attached for your convenience.

I trust you will find the foregoing modifications satisfactory. Should that not be the case, please let me know and FLNG will attempt to address the issue(s).

Thank you for your cooperation in this matter.



Mark Mallett
Sr. Vice President - Operations and Projects