



U.S. Department of Transportation
**Pipeline and Hazardous Materials
Safety Administration**

8701 S. Gessner, Suite 630
Houston TX 77074

NOTICE OF AMENDMENT

ELECTRONIC MAIL - RETURN RECEIPT REQUESTED

August 11, 2021

John Fraser
Vice President of Operations
Golden Pass LNG Terminal LLC
811 Louisiana Street, Suite 1500
Houston, Texas 77002

4-2021-044-NOA

Dear Mr. Fraser:

From April 12, 2021 through April 15, and on April 19, 2021, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Golden Pass LNG Terminal LLC's (GPLNG) plans and procedures located in Jefferson County Texas.

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

1. § 193.2017 Plans and procedures.

(a) Each operator shall maintain at each LNG plant the plans and procedures required for that plant by this part. The plans and procedures must be available upon request for review and inspection by the Administrator or any State Agency that has submitted a current certification or agreement with respect to the plant under the pipeline safety laws (49 U.S.C. 60101 et seq.). In addition, each change to the plans or procedures must be available at the LNG plant for review and inspection within 20 days after the change is made.

§ 193.2011 Reporting.

Incidents, safety-related conditions, and annual pipeline summary data for LNG plants or facilities must be reported in accordance with the requirements of Part 191 of this subchapter.

§ 191.5 Immediate notice of certain incidents.

(a) At the earliest practicable moment following discovery, but no later than one hour after confirmed discovery, each operator must give notice in accordance with paragraph (b) of this section of each incident as defined in §191.3.

GPLNG's written procedure, *DOT Terminal Operations and Maintenance Manual* (Rev. No. 5; 4/29/2021), is inadequate because it does not provide a definition for the term "confirmed discovery," which is defined in § 191.3 as "when it can be reasonably determined, based on information available to the operator at the time a reportable event has occurred, even if only based on a preliminary evaluation."

GPLNG submitted a revised procedure to address the requirements of § 193.2011 and § 191.5, respectively. PHMSA reviewed the revised procedures and found the revisions adequate.

2. § 193.2017 Plans and procedures.

(a) Each operator shall maintain at each LNG plant the plans and procedures required for that plant by this part. The plans and procedures must be available upon request for review and inspection by the Administrator or any State Agency that has submitted a current certification or agreement with respect to the plant under the pipeline safety laws (49 U.S.C. 60101 et seq.). In addition, each change to the plans or procedures must be available at the LNG plant for review and inspection within 20 days after the change is made.

§ 193.2011 Reporting.

Incidents, safety-related conditions, and annual pipeline summary data for LNG plants or facilities must be reported in accordance with the requirements of Part 191 of this subchapter.

§ 191.25 Filing safety-related condition reports.

(a) Each report of a safety-related condition under §191.23(a)(1) through (9) must be filed (received by the Associate Administrator) in writing within 5 working days (not including Saturday, Sunday, or Federal holidays) after the day a representative of an operator first determines that the condition exists, but not later than 10 working days after the day a representative of an operator discovers the condition. Separate conditions may be described in a single report if they are closely related. Reporting methods and report requirements are described in paragraph (c) of this section.

GPLNG's written procedure, *DOT Terminal Operations and Maintenance Manual* (Rev. No. 5; 4/29/2021), is inadequate because it does not include requirements to file safety-related conditions in accordance with § 191.25(a), specifically no later than 10 working days after the day a representative of an operator discovers the safety-related condition.

GPLNG submitted a revised procedure to address the requirements of § 193.2011 and 191.25(a), respectively. PHMSA reviewed the revised procedures and found the revisions adequate.

3. § 193.2017 Plans and procedures.

(a) Each operator shall maintain at each LNG plant the plans and procedures required for that plant by this part. The plans and procedures must be available upon request for review and inspection by the Administrator or any State Agency that has submitted a current certification or agreement with respect to the plant under the pipeline safety laws (49 U.S.C. 60101 et seq.). In addition, each change to the plans or procedures must be available at the LNG plant for review and inspection within 20 days after the change is made.

§ 193.2637 Remedial measures.

Prompt corrective or remedial action must be taken whenever an operator learns by inspection or otherwise that atmospheric, external, or internal corrosion is not controlled as required by this subpart.

GPLNG's written procedure, *Corrosion Program Manual* (Rev. #4, 10/3/2018), is inadequate because it does not provide timeframes for corrective or remedial action for addressing atmospheric, external, or internal corrosion as required by § 193.2637.

During the inspection, PHMSA inspectors reviewed GPLNG's procedure and found that it did not include timeframes for corrective or remedial action for addressing corrosion related issues.

GPLNG must amend its written procedure to include timeframes of corrective or remedial action for addressing atmospheric, external, or internal corrosion as required by § 193.2637.

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 Golden Pass LNG Terminal 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 Mary L. McDaniel, P.E., Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **4-2021-044-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

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

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

cc: Tyrus Bordelon Jr., SSHE Supervisor, Golden Pass LNG Terminal LLC,
tyrus.bordelonjr@gpterminal.com
Andrew Kohout, P.E., Director, Division of LNG Facility Reviews and Inspections
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