



ENTERPRISE PRODUCTS PARTNERS L.P.
ENTERPRISE PRODUCTS HOLDINGS LLC
(General Partner)

ENTERPRISE PRODUCTS OPERATING LLC

September 13, 2023

VIA ELECTRONIC MAIL TO: bryan.lethcoe@dot.gov

Pipeline and Hazardous Materials Safety Administration
U.S. Department of Transportation – Southwest Region
8701 S. Gessner, Suite 630
Houston, TX 77074

Attn: Mr. Bryan Lethcoe
Director, Office of Pipeline Safety – Southwest Region
U.S. Department of Transportation
Pipeline and Hazardous Materials Safety Administration

Re: CPF 4-2023-049-NOPV
Notice of Probable Violation and Proposed Civil Penalty
Dixie Pipeline Company LLC

Dear Mr. Lethcoe:

Dixie Pipeline Company LLC (Dixie)¹ is in receipt of the above referenced Notice of Probable Violation and Proposed Civil Penalty (collectively, the Notice) dated August 14, 2023. This letter constitutes Dixie's timely response to the Notice.

In response to the Notice, Dixie respectfully requests, in accordance with 49 U.S.C. § 60117(b)(1)(B) an informal conference with PHMSA to provide and discuss factual clarifications and attempt to resolve the Notice. If Dixie and PHMSA are unable to resolve the Notice, in order to preserve Dixie's rights and without admission, Dixie is requesting a hearing for the Notice pursuant to 49 C.F.R. §§ 190.208 and 190.211. Dixie respectfully requests that PHMSA refrain from scheduling a hearing, to give the parties time to attempt to resolve the Notice.

Enclosed with this letter is Dixie's Request for Hearing and Preliminary Statement of Issues.

Dixie is committed to public safety, protecting the environment, and operating its pipeline facilities safely and welcomes the opportunity to work with PHMSA regarding the safe operation of our pipelines. Should you have questions or require further information in connection with the above, please do not hesitate to contact Jeff Morton, Senior Director – Transportation Compliance, at 713.381.6790, or Zach Craft, Counsel, at 713.381.3749.

¹ Dixie Pipeline Company LLC is a wholly owned subsidiary of Enterprise Products Operating LLC.

Kind Regards,

A handwritten signature in blue ink, appearing to read 'Graham Bacon', with a stylized flourish at the end.

Graham Bacon
Executive Vice President and Chief Operating Officer
Enclosure

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY**

In the Matter of

Dixie Pipeline Company LLC,

Respondent.

CPF 4-2023-049-NOPV

**REQUEST FOR HEARING AND PRELIMINARY STATEMENT OF ISSUES IN
RESPONSE TO NOTICE OF PROBABLE VIOLATION AND PROPOSED CIVIL
PENALTY**

1. Request for Hearing

Pursuant to 49 C.F.R. §§ 190.208(a)(4) and 190.211(b), Dixie Pipeline Company LLC (Dixie) hereby requests a hearing to discuss the alleged violation and proposed civil penalty contained in the Notice of Probable Violation and Proposed Civil Penalty (NOPV/PCP) issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA) on August 14, 2023.

Dixie will be represented by counsel at the hearing.

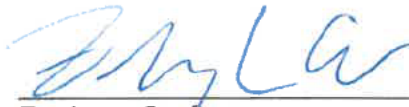
2. Preliminary Statement of Issues

Dixie respectfully contests the allegation of violation and the proposed civil penalty in Item #1, the sole item in the NOPV/PCP, with respect to:

- a. Whether PHMSA has met its burden of proof that a violation has occurred; and in particular, without limiting the generality of the foregoing, whether PHMSA has presented factual support for characterizing the applicable portions of Dixie's pipeline system as "exposed to the atmosphere" for purposes of 49 C.F.R. § 195.583(a) during all relevant time periods at issue in the NOPV/PCP.
- b. Whether PHMSA's interpretation of the cited regulation is consistent with the text, history, and purpose of that regulation; and in particular, without limiting the generality of the foregoing:
 - i. whether a portion of a pipeline that is submerged in water is "exposed to the atmosphere" as that phrase is used in 49 C.F.R. § 195.583(a); and

- ii. whether 49 C.F.R. § 195.583(a) requires any further action by a pipeline operator if, during an attempted atmospheric corrosion inspection within the specified inspection frequency, the pipeline operator discovers that the to-be-inspected portion of the pipeline is no longer exposed to the atmosphere.
- c. Whether PHMSA's proposed civil penalty is appropriate, necessary, or consistent with the requirement of the underlying regulation as to which PHMSA seeks a civil penalty from Dixie; and in particular, without limiting the generality of the foregoing, whether PHMSA properly considered:
 - i. Dixie's attempts to inspect the applicable pipeline segments for corrosion;
 - ii. Dixie's analysis of how cathodic protection systems on the system demonstrated protection from corrosion; and
 - iii. Dixie's continued, voluntary inclusion of the applicable pipeline segments in its schedule to periodically assess their exposure to the atmosphere and potential for corrosion, even after Dixie determined that the applicable pipeline segments were no longer exposed to the atmosphere.

Respectfully submitted September 13, 2023



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Counsel for Dixie Pipeline Company LLC