



November 30, 2023

Bryan Lethcoe (bryan.lethcoe@dot.gov)  
Director, Southwestern Region, Office of Pipeline Safety  
Pipeline and Hazardous Materials Safety Administration  
8701 S. Gessner Road, Suite 630  
Houston, TX 77074

Re: CPF 4-2023-059-NOA

Dear Mr. Bryan Lethcoe,

This letter is in response to CPF 4-2023-059-NOA. On November 2, 2023, Freeport LNG (FLNG) received a Notice of Amendment (NOA) from PHMSA to correct two potential deficiencies in the FLNG O&M Manual and Integrated Contingency Plan (ICP).

The sections below discuss FLNG's plan to update each item listed in the NOA.

**Item 1 - §§ 192.605(b)(2) & 192.493: In-line Inspection Program**

The alleged violation was as follows:

*"FLNG's written procedures for controlling corrosion were inadequate to assure the safe operation of a pipeline facility in accordance with § 192.605(b)(2). Specifically, FLNG's procedure for conducting in-line inspections (ILI), In-Line Inspection and Analysis, PPL-OPS-PRC-9001-071.0001 (Revision: 0, dated April 28, 2021), failed to include ILI survey acceptance criteria required by NACE SP0102, section 5.1.5 Survey-acceptance criteria in accordance with § 192.493.*

*Section 2.2.1.2 of FLNG's In-Line Inspection and Analysis procedure stated that FLNG will rerun the ILI tool if the results are not acceptable, as determined by the ILI Project Manager. However, FLNG's procedure does not include the requirement to develop and agree to a set of survey-acceptance criteria that define when a rerun survey is required in accordance with section 5.1.5 of NACE SP0102.*

*Therefore, FLNG's written procedures for controlling corrosion were inadequate to assure the safe operation of a pipeline facility in accordance with § 192.605(b)(2). FLNG must amend its ILI and Analysis procedure to require development of ILI survey acceptance criteria as required by NACE SP0102."*

**FLNG Response:** FLNG will update its acceptance criteria in accordance with NACE SP0102, section 5.1.5 in accordance with §192.493. FLNG is currently preparing for an ILI run in 2024. The program updates are underway currently and will be in place prior to conducting any future ILI's. Upon completion, the program updates will be provided to PHMSA for review. These updates will include (but may not be limited to) ensuring the survey acceptance criteria defines when a rerun survey is required based on the vendor's tool selection, technology, and capabilities in accordance with NACE SP0102 Section 5.1.5.



## Item 2 - §192.615(a)(12): Rupture Identification Procedure

The alleged violation was as follows:

*"FLNG's written procedure to minimize the hazard resulting from a gas pipeline emergency was inadequate to assure safe operation of a pipeline facility in accordance with § 192.615(a)(12). Specifically, FLNG's procedure Freeport LNG Facilities – Integrated Contingency Plan (Revision: 0, dated August 2022) failed to include criteria to evaluate and identify whether a notification of potential rupture, as defined in § 192.3, is an actual rupture event or a non-rupture event in accordance with § 192.615(a)(12).*

*FLNG failed to include written rupture identification procedures in its Integrated Contingency Plan. The procedure failed to specify the sources of information, operational factors, and other criteria that operator personnel use to evaluate a notification of a potential rupture and identify an actual rupture.*

*Therefore, FLNG's written procedure to minimize the hazard resulting from a gas pipeline emergency was inadequate to assure safe operation of a pipeline facility in accordance with § 192.615(a)(12). FLNG must revise its procedure as specified above."*

**FLNG Response:** FLNG will update its written rupture identification procedures in its Integrated Contingency Plan to:

1. Include criteria to evaluate and identify whether a notification of potential rupture, as defined in § 192.3, is an actual rupture event or a non-rupture event in accordance with § 192.615(a)(12).
2. specify the sources of information, operational factors, and other criteria that operator personnel use to evaluate a notification of a potential rupture and identify an actual rupture.

FLNG expects to complete these updates and any associated training by January 31, 2024. Updated procedures and training records will be provided to PHMSA upon completion.

## Additional Response Needs

FLNG will maintain on file the record of change for the program updates which will include the date these updates were completed. These records will be available for review upon PHMSA's request. Please advise accordingly, should you need additional information regarding this NOA or other pipeline safety related issue.

As always, FLNG is committed to pipeline safety and looks forward to resolving this situation to PHMSA's satisfaction. Please contact me at my office number below if you have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Stephenson", with a long horizontal line extending to the right.

Michael Stephenson

Regulatory Compliance Manager

(O): 979-415-8728

(M): 713-515-0666



Cc:

Shaw Ottis – Vice President, General Counsel & Secretary

David Pesses – Sr. Compliance Specialist