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

8701 S. Gessner, Suite 630
Houston TX 77074

NOTICE OF PROBABLE VIOLATION
AND
PROPOSED CIVIL PENALTY

VIA ELECTRONIC MAIL

May 14, 2024

Graham Bacon
Executive Vice President & Chief Operating Officer
Enterprise Products Operating, LLC
1100 Louisiana Street
Houston Texas 77002

CPF 4-2024-002-NOPV

Dear Mr. Bacon:

From February 27 through August 15, 2023, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected Enterprise Products Operating, LLC (Enterprise), Teppco South systems in Texas, Arkansas, and Louisiana area facilities.

As a result of the inspection, it is alleged that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (C.F.R). The items inspected and the probable violations are:

1. § 195.428 Overpressure safety devices and overfill protection systems.

(a) Except as provided in paragraph (b) of this section, each operator shall, at intervals not exceeding 15 months, but at least once each calendar year, or in the case of pipelines used to carry highly volatile liquids, at intervals not to exceed 7½ months, but at least twice each calendar year, inspect and test each pressure limiting device, relief valve, pressure regulator, or other item of pressure control equipment to determine that it is functioning properly, is in good mechanical condition, and is adequate from the standpoint of capacity and reliability of operation for the service in which it is used.

Enterprise failed to, at intervals not exceeding 15 months, but at least once each calendar year, or in the case of pipelines used to carry highly volatile liquids, at intervals not to exceed 7 ½ months, but at least twice each calendar year, inspect and test each pressure limiting device, relief valve, pressure regulator, or other item of pressure control equipment to determine that it is functioning properly, is in good mechanical condition, and is adequate from the standpoint of capacity and reliability of operation for the service in which it is used in accordance with § 195.428(a). Specifically, Enterprise exceeded the 7 ½ month requirement for the following overpressure protection devices:

- P1 BEA 16” PLC Control HLS 930
- 24909: 60090 Loop 2165/PIT2165 S/D Loop Closes SDV 2165 on Colonial Gas SK-2166
- 24910: 60098 Loop 2167
- P2: BEA 20"
- P62: Newton Station
- 24904: Beau Mar Exp PIT7536
- 24905: Beau Mar Exp PIT7529
- 24906: Beau Mar Exp PIT7522
- 24907.1: Beau Mar Exp PIT8093
- 22869: 063EP19639/DOT OPP Loop

This is a repeat of violations found in CPF 1-2018-5003, Item 13. Therefore, Enterprise failed to inspect and test each pressure limiting device, relief valve, pressure regulator or other item of pressure control equipment to determine that it is functioning properly at intervals not exceeding 15 months, but at least once each calendar year, or in the case of pipelines used to carry highly volatile liquids, at intervals not to exceed 7 ½ months, but at least twice each calendar year in accordance with § 195.428(a).

2. § 195.420 Valve maintenance.

(a) . . . .

(b) Each operator shall, at intervals not exceeding 7 ½ months, but at least twice each calendar year, inspect each mainline valve to determine that it is functioning properly. Each rupture-mitigation valve (RMV), as defined in § 195.2 and not contained in a gathering line, or alternative equivalent technology that is installed under § 195.258(c) or § 195.418, must also be partially operated. Operators are not required to close the valve fully during the inspection; a minimum 25 percent valve closure is sufficient to demonstrate compliance, unless the operator has operational information that requires an additional closure percentage for maintaining reliability.

Enterprise failed to at intervals not exceeding 7 ½ months, but at least twice each calendar year, inspect each mainline valve to determine that it is functioning properly. Specifically, Enterprise exceeded the 7 ½ month inspection frequency requirement for the following mainline valves:

- P63: MOV0572
- P1: BEAPMOV003
- 24907.1: 60098HV032
- Beau Mar Exp MOV0141
- 73257: ATXH MBV-001, ATXH GOV-1002, ATXH INJ Gate Valve, ATXH MOV-1001, ATXH MOV-3101, ATXH MOV-3102, ATXH MOV-3201, ATXH MOV-3202, ATXH PCV-1001
- P82: Propane VA 095
- P2: MREP2VA189.1
- P62: MREP62VA250A
- P74: MREP74VA31, MREP74VA31B, MREP74VA45, MREP74VA46
- P107: MREP107MOV0002

Therefore, Enterprise failed to conduct inspections for each mainline valve to determine that it is functioning properly at intervals not exceeding 7 ½ months but at least twice each calendar year in accordance with § 195.420(b).

3. § 195.202 Compliance with specifications or standards.
Each pipeline system must be constructed in accordance with comprehensive written specification or standards that are consistent with the requirement of this part.

Enterprise failed to construct each pipeline system in accordance with comprehensive written specifications or standards that are consistent with the requirements of Part 195 in accordance with § 195.202. Specifically, Enterprise failed to follow its written procedure, *Engineering Standard 8501 (STD.8501), Bolt Torquing and Flange Assembly (May 2021), section 7.0 Material,* which states that “the minimum acceptable length of bolt shall be full nut engagement after initial tightening.” Bolts on flanges at the following three locations were observed to be either flush or recessed: Fordyce Station, McRae Station, and Baytown Terminal. At these locations, PHMSA observed bolts that failed to have the minimum acceptable length such that full nut engagement was not achieved in the nut on both ends, contrary to Enterprise’s procedures. After the conclusion of PHMSA’s inspection, Enterprise provided bolt-flange assembly records to indicate it fixed the improperly installed bolts at the three locations: Fordyce Station (repaired on 08/02/2023 – Work Order Number 6417190), McRae Station (repaired on 05/19/2023, Reviewed SF20 Form), and Baytown Terminal (repaired on 08/31/2023, Work Order Number 6477115). This violation is a repeat of violations found in CPF 2-2022-062-NOPV, Item 1.

Therefore, Enterprise failed to construct each pipeline system in accordance with comprehensive written specifications or standards that are consistent with the requirements of Part 195 in accordance with § 195.202.

4. § 195.589 What corrosion control information do I have to maintain?

(a) . . . .

(c) You must maintain a record of each analysis, check, demonstration, examination, inspection, investigation, review, survey, and test required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that corrosion requiring control measures does not exist. You must retain these records for at least 5 years, except that records related to §§ 195.569, 195.573(a) and (b), and 195.579(b)(3) and (c) must be retained for as long as the pipeline remains in service.

Enterprise failed to maintain a record of each analysis, check, demonstration, examination, inspection, investigation, review, survey, and test required by Part 195, Subpart H, in sufficient detail to demonstrate the adequacy of corrosion control measures or that corrosion requiring control measures does not exist in accordance with § 195.589(c). Specifically, Enterprise failed to maintain a record of an inspection of removed pipe for internal corrosion at the Orange Pump Station on 1/27/2021.

Proposed Civil Penalty

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed $266,015 per violation per day the violation persists, up to a maximum of $2,660,135 for a related series of violations. For violation occurring on or after January 6, 2023, and before December 28, 2023, the maximum penalty may not exceed $257,664 per violation per day the violation persists, up to a maximum of $2,576,627 for a related series of violations. For violation occurring on or after March 21, 2022 and before January 6, 2023, the maximum penalty may not exceed $239,142 per violation per day the violation persists, up to a maximum of $2,391,412 for a related series of violations. For violation occurring on or after May 3, 2021 and before March 21, 2022, the maximum penalty may not exceed $225,134 per violation per day the violation persists, up to a maximum of $2,251,334 for a related series of violations. For violation occurring on or after January 11, 2021 and before May 3, 2021, the maximum penalty may not exceed $222,504 per violation per day the violation persists, up to a maximum of $2,225,034 for a related series of violations. For violation occurring on or after July 31, 2019 and before January 11, 2021, the maximum penalty may not 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.

We have reviewed the circumstances and supporting documentation involved for the above probable violations and recommend that you be preliminarily assessed a civil penalty of $135,500 as follows:

Item number	PENALTY
1	$89,000
2	$46,500

Warning Items
With respect to Items 3 & 4, 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 promptly correct these items. Failure to do so may result in additional enforcement action.

Response to this Notice
Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Enforcement Proceedings*. Please refer to this document and note the response options. All material you submit in response to this enforcement action may be 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 your receipt of this Notice, you have 30 days to respond as described in the enclosed *Response Options*. 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 a Final Order. If you are responding to this Notice, we propose that you submit your correspondence to my office within 30 days from receipt of this Notice. The Region Director may extend the period for responding upon a written request timely submitted demonstrating good cause for an extension.

In your correspondence on this matter, please refer to **CPF 4-2024-002-NOPV** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,
BRYAN JEFFERY LETHCOE
Digitally signed by BRYAN JEFFERY LETHCOE
Date: 2024.05.14 14:42:24 -05'00'
Bryan Lethcoe
Director, Southwest Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration