



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

1200 New Jersey Avenue, SE
Washington, DC 20590

September 26, 2025

VIA ELECTRONIC MAIL TO: gbacon@eprod.com

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

Re: CPF No. 4-2024-024-NOPV

Dear Mr. Bacon:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation and specifies actions that need to be taken by Enterprise Products Operating, LLC, to comply with the pipeline safety regulations. When the terms of the compliance order have been completed, as determined by the Director, Southwest Region, this enforcement action will be closed. Service of the Final Order by e-mail is effective upon the date of transmission and acknowledgement of receipt as provided under 49 CFR § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

LINDA GAIL
DAUGHERTY
Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

Digitally signed by LINDA
GAIL DAUGHERTY
Date: 2025.09.24
18:17:00 -04'00'

Enclosure

cc: Mr. Bryan Lethcoe, Director, Southwest Region, Office of Pipeline Safety, PHMSA
Mr. Jeff Morton, Senior Director, Transportation Compliance, Enterprise

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

| | | |
|--|---|--------------------------------|
| _____ |) | |
| In the Matter of |) | |
| |) | |
| Enterprise Products Operating, LLC, |) | CPF No. 4-2024-024-NOPV |
| |) | |
| Respondent. |) | |
| _____ |) | |

FINAL ORDER

From February 27, 2023, through October 23, 2023, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), and the New York State Department of Public Service (NYS DPS) conducted an on-site pipeline safety inspection of the facilities, procedures, and records of Enterprise Products Operating, LLC’s (Enterprise or Respondent) TEPPCO North Pipeline System located in Ohio, West Virginia, Pennsylvania, and New York.

As a result of the inspection, the Director, Southwest Region, OPS (Director), issued to Respondent, by letter dated May 2, 2024, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 CFR § 190.207, the Notice proposed finding that Enterprise had committed two violations of 49 CFR Part 195 and proposed ordering Respondent to take certain measures to correct the alleged violations. The Notice also included an additional two warning items pursuant to 49 CFR § 190.205, which warned Respondent to correct the probable violations or face possible future enforcement action.

Enterprise responded to the Notice by letter dated July 17, 2024 (Response).¹ Enterprise did not contest the two alleged violations and provided information concerning corrective actions being taken. Enterprise contested the two warning items and offered additional information in response to the Notice. Respondent did not request a hearing and therefore has waived its right to one.

FINDINGS OF VIOLATION

¹ Enterprise requested an extension to respond via letter dated May 15, 2024. On May 30, 2024, Southwest Region granted this request, extending the time to respond to July 31, 2024. In addition, effective May 29, 2025, PHMSA revised its case file policy and informed Enterprise via letter dated July 16, 2025. Enterprise acknowledged receipt of that letter on July 18, 2025.

The Notice alleged that Respondent violated 49 CFR Part 195, as follows:

Item 2: The Notice alleged that Respondent violated 49 CFR § 195.436, which states:

§ 195.436 Security of facilities.

Each operator shall provide protection for each pumping station and breakout tank area and other exposed facility (such as scraper traps) from vandalism and unauthorized entry.

The Notice alleged that Respondent violated 49 CFR § 195.436 by failing to provide protection for each pumping station, breakout tank area, and other exposed facility from vandalism and unauthorized entry. Specifically, the Notice alleged that during inspection, PHMSA and NYSDPS inspectors observed that two crash gates at the Watkins Glen Terminal and Watkins Glen Pump Station did not prevent unauthorized entry. Rather, any person could gain access by reaching through gaps in the gates and pressing open the gate latch.

In its Response, Enterprise did not contest the violation, but stated it had added an additional guard to the gate mechanism and had begun an inspection of all its crash gates through the TEPPCO system as proposed in the Notice.

Accordingly, after considering all the evidence, I find that Respondent violated 49 CFR § 195.436 by failing to provide protection for the Watkins Glen Terminal and Watkins Glen Pump Station from vandalism and unauthorized entry.

Item 4: The Notice alleged that Respondent violated 49 CFR § 195.583(b), which states:

§ 195.583 What must I do to monitor atmospheric corrosion control?

(a) ...

(b) During inspections you must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.

The Notice alleged that Respondent violated 49 CFR § 195.583(b) by failing to give particular attention to pipe under thermal insulation during atmospheric corrosion control inspections. Specifically, the Notice alleged that Enterprise failed to provide any records of atmospheric corrosion control inspections for the pipe under thermal insulation at the Sinking Springs Station.

Enterprise did not contest the violation and stated it had corrected the inspection at Sinking Springs Station, attaching documentation in support to its Response. Enterprise further stated it was in the process of completing all insulation surveys and identify all jurisdictional pipelines with thermal insulation for the entire TEPPCO pipeline station as proposed in the Notice.

Accordingly, after considering all the evidence, I find that Respondent violated 49 CFR § 195.583(b) by failing to give particular attention to pipe under thermal insulation during atmospheric corrosion control inspections at Sinking Springs Station.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Items 2 and 4 in the Notice for violations of 49 CFR §§ 195.436 and 195.583(b), respectively. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601.

With regard to the violation of section 195.436 (Item 2), Respondent stated in its Response that it had corrected the safety issue of the crash gates at the Watkins Glen Terminal and Watkins Glen Pump Station and placed an additional guard at the gate mechanism to prevent unauthorized entry. This documentation is currently under review by the Director. Respondent also stated it had begun inspecting all crash gates throughout the TEPPCO system and is making modifications to provide adequate protection from vandalism and unauthorized entry.

With regard to the violation of section 195.583(b) (Item 4), Respondent stated it has corrected the inspection at the Sinking Springs Station and attached documentation in support of this claim to the Response. Enterprise also stated that it is working to complete the insulation surveys and identify all jurisdictional piping with thermal insulation for the entire TEPPCO pipeline. However, the proposed compliance terms in the Notice included a requirement for Enterprise to complete an insulation survey and to identify all jurisdictional piping with thermal insulation. Based on the Response and after reviewing Attachment 6, I find no reason to modify the proposed compliance terms for this Item.

For the above reasons, the Compliance Order is as set forth below.

Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 CFR § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations:

1. With respect to the violation of section 195.436 (**Item 2**), Respondent must modify the identified gates to provide adequate protection from vandalism and unauthorized entry. In addition, Enterprise must conduct an inspection of all crash gates throughout the TEPPCO system and make modifications to provide adequate protection from vandalism and unauthorized entry. Enterprise must provide documentation of the inspections and photos of any repairs to the Director within **60** days of receipt of the Final Order.
2. With respect to the violation of section 195.583(b) (**Item 4**), Respondent must complete an insulation survey and identify all jurisdictional pipelines with thermal insulation for the entire TEPPCO pipeline system. If access plug flanges (APFs) are

installed, Enterprise must provide pictures of the APFs and the last two cycles of atmospheric corrosion inspections that detail the condition of the pipe underneath the thermal insulation. If APFs are not installed, Enterprise must provide the last two cycles of atmospheric corrosion inspections and pictures showing that the pipeline can be inspected without APFs. If the insulated pipe cannot be adequately inspected, Enterprise must modify the insulation by installing APFs or provide another method to inspect the insulated pipe. After making any corrections to the insulated piping, Enterprise must conduct atmospheric corrosion inspections of all insulated piping in the TEPPCO system, provide those inspection records, and any pictures of the insulated pipe inspection, along with the insulation survey to the Director within **180** days of receipt of the Final Order.

The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent and demonstrating good cause for an extension.

PHMSA requests that Respondent maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to the Director. It is requested that these costs be reported in two categories: (1) total cost associated with preparation/revision of plans, procedures, studies and analyses; and (2) total cost associated with replacements, additions and other changes to pipeline infrastructure.

Failure to comply with this Order may result in the administrative assessment of civil penalties exceeding \$200,000, as adjusted for inflation (*see* 49 CFR § 190.223 for adjusted amounts), for each violation for each day the violation continues or in referral to the Attorney General for appropriate relief in a district court of the United States.

WARNING ITEMS

With respect to Items 1 and 3, the Notice alleged probable violations of Part 195, but identified them as warning items pursuant to section 190.205. The warnings were for:

49 CFR § 195.54(b) (**Item 1**) — Respondent's alleged failure to provide a supplemental report within 30 days of receiving any changes in information reported or additions to the original report on DOT Form 7000-1; and

49 CFR § 195.402(a) (**Item 3**) — Respondent's alleged failure to follow its manual of written procedures, which required physical inspection of remotely monitored rectifiers once each calendar year with intervals not to exceed 15 months.

In its Response, Enterprise disagreed with Item 1 and explained the final accident report was submitted January 12, 2022, within 30 days of December 14, 2021, the date Enterprise closed its investigation as recorded on the Preliminary Incident Report. Under section 190.205, PHMSA

does not adjudicate warning items to determine whether or not a probable violation occurred. As a matter of enforcement discretion, however, this warning is rescinded.

In addition, Enterprise contested Item 3. Enterprise explained that the procedure requiring in-person inspection was created on August 3, 2022 and the three rectifiers in question were inspected in-person within a year of the procedure's adoption. As noted, PHMSA does not adjudicate this warning item to determine whether or not a probable violation occurred. As a matter of enforcement discretion, however, this warning is rescinded.

Under 49 CFR § 190.243, Respondent may submit a Petition for Reconsideration of this Final Order to the Associate Administrator, Office of Pipeline Safety, PHMSA, 1200 New Jersey Avenue, SE, East Building, 2nd Floor, Washington, DC 20590, with a copy sent to the Office of Chief Counsel, PHMSA, at the same address. The written petition must be received no later than 20 days after receipt of the Final Order by Respondent. Any petition submitted must contain a statement of the issue(s) and meet all other requirements of 49 CFR § 190.243. The terms of the order, including corrective action, remain in effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Final Order are effective upon service in accordance with 49 CFR § 190.5.

LINDA GAIL
DAUGHERTY

Digitally signed by LINDA
GAIL DAUGHERTY
Date: 2025.09.24
18:19:16 -04'00'

Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

September 26, 2025

Date Issued



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 COMPLIANCE ORDER**

VIA ELECTRONIC MAIL TO: gbacon@eprod.com

May 2, 2024

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

CPF 4-2024-024-NOPV

Dear Mr. Bacon:

From February 27, 2023 to October 23, 2023, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Enterprise Products Operating LLC's TEPPCO North Pipeline System (Enterprise) procedures, records, and pipeline facilities in Ohio, West Virginia, Pennsylvania, and New York.

As a result of the inspection, it is alleged that Enterprise has committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The items inspected and the probable violations are:

- 1. § 195.54 Accident reports.**
 - (a)
 - (b) Whenever an operator receives any changes in the information reported or additions to the original report on DOT Form 7000-1, it shall file a supplemental report within 30 days.**

Enterprise failed to provide a supplemental report within 30 days of receiving any changes in the information reported or additions to the original report in accordance with § 195.54(b).

During the inspection, PHMSA reviewed Accident Report No. 20210289-36234 dated January 13, 2022. The original report was submitted on October 8, 2021. Enterprise performed its investigation of the accident and generated a Team Incident Investigation Report, dated December 8, 2021. Enterprise did not provide any additional documents regarding the accident. The time between the Team Incident Investigation Report and the date the supplemental report was filed exceeded the 30-day requirement in that Enterprise did not file the supplemental report until January 12, 2022. Based on this timeline of events, Enterprise failed to meet the requirements of §192.54(b) as the supplemental final report was submitted 36 days after receiving new information.

This is a repeat offense of Item 1 in CPF 3-2019-5019.

2. § 195.436 Security of facilities.

Each operator shall provide protection for each pumping station and breakout tank area and other exposed facility (such as scraper traps) from vandalism and unauthorized entry.

Enterprise failed to provide adequate protection for each pumping station and other exposed facilities from vandalism and unauthorized entry in accordance with § 195.436.

PHMSA and NY Department of Public Service (NYDPS) inspectors observed two crash gates that could be opened from the outside by reaching into the gate through a gap and pressing on the bar that opens the gate latch at the Watkins Glen Terminal and the Watkins Glen Pump Station. The design of the gates allowed for unauthorized entry into the Watkins Glen Terminal and Station. Therefore, Enterprise failed to provide adequate protection for each pumping station and other exposed facilities from vandalism and unauthorized entry in accordance with § 195.436.

3. § 195.402 Procedural manual for operations, maintenance, and emergencies.

(a) General. Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.

Enterprise failed to follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies in accordance with § 195.402(a). Specifically, Enterprise failed to follow their procedure to electrically check for proper performance of its rectifiers in accordance with *Corrosion Prevention Program Procedure "CP15 - Rectifier Monitoring* (Rev. 10, 8/3/22), section 1.2, which states that

“each remotely monitored rectifier shall be physically inspected for continued safe and reliable operation at least once each calendar year but with intervals not exceeding 15 months.”

While reviewing the rectifier inspection records for P40 Greensburg to Watkins Glen for the years 2022 and 2023, PHMSA and NYDPS inspectors noted three instances where Enterprise failed to conduct an in-person inspection of the rectifier within the interval required by Enterprise’s procedure.

At St. Clair Rd, MP 36.14, Enterprise failed to perform an in-person inspection during the 2022 calendar year. And, at Rochester Mills Station, P-40, MP 48.46 and MP 48.4610, Enterprise failed to perform an in-person inspection during the 2022 calendar year.

Therefore, Enterprise failed to follow its procedure to physically inspect each remotely monitored rectifier for continued safe and reliable operation at least once each calendar year but with intervals not exceeding 15 months.

4. § 195.583 What must I do to monitor atmospheric corrosion control?

(a)

(b) During inspections you must give particular attention to pipe at soil-to-air interfaces, under thermal insulation, under disbonded coatings, at pipe supports, in splash zones, at deck penetrations, and in spans over water.

Enterprise failed to give particular attention to pipe under thermal insulation during atmospheric corrosion inspections in accordance with § 195.583(b) and its atmospheric corrosion inspection procedures. Specifically, Enterprise failed to inspect pipe under thermal insulation at the Sinking Springs Station.

Enterprise’s atmospheric corrosion inspection procedure, *Atmospheric Corrosion Inspection Procedure* CPP-PCL-01 (Rev. 6, 5/9/2022), section 3.3.3.2, states that “particular attention must be given to the following locations,” leading to a separate procedure for insulated piping. That procedure, *Corrosion Under Thermal Insulation Inspection Procedure* CPP-PCL-02 (Rev. 2, 11/29/17),” section 3.1, states that “it will be necessary to remove small sections of the overlying insulation to facilitate the inspection.” However, Enterprise failed to provide atmospheric corrosion control inspection records for the pipe under thermal insulation at the Sinking Springs Station.

Therefore, Enterprise failed to give particular attention to pipe under thermal insulation during inspections in accordance with § 195.583(b) and its atmospheric corrosion inspection procedures. Documentation does not support that Enterprise removed small sections of the insulation to perform the atmospheric corrosion inspections in accordance with procedure CPP-PCL-02.

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 documents involved in this case and have decided not to propose a civil penalty assessment at this time.

Proposed Compliance Order

With respect to Items 2 and 4 pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Enterprise Products Operating, LLC. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Warning Items

With respect to Items 1 and 3, 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 4-2024-024-NOPV** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Bryan Lethcoe
Director, Southwest Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Enforcement Proceedings

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Enterprise Products Operating, LLC (Enterprise) a Compliance Order incorporating the following remedial requirements to ensure the compliance of Enterprise with the pipeline safety regulations:

- A. In regard to Item 2 of the Notice pertaining to Enterprise's failure to provide adequate protection for each pumping station and other exposed facility from vandalism and unauthorized entry, Enterprise must modify the identified gates to provide adequate protection from vandalism and unauthorized entry. In addition, Enterprise must conduct an inspection of all crash gates throughout the TEPPCO system and make modifications to provide adequate protection from vandalism and unauthorized entry. Enterprise must provide documentation of the inspections and photos of any repairs to the Director, Southwest Region, within **60** days of receipt of the Final Order.

- B. In regard to Item 4 of the Notice pertaining to Enterprise's failure to give particular attention to pipe under thermal insulation during inspections, Enterprise must complete an insulation survey and identify all jurisdictional pipelines with thermal insulation for the entire TEPPCO pipeline system. If access plug flanges (APFs) are installed, Enterprise must provide pictures of the APFs and the last two cycles of atmospheric corrosion inspections that detail the condition of the pipe underneath the thermal insulation. If APFs are not installed, Enterprise must provide the last two cycles of atmospheric corrosion inspections and pictures showing that the pipeline can be inspected without APFs. If the insulated pipe cannot be adequately inspected, Enterprise must modify the insulation by installing APFs or provide another method to inspect the insulated pipe. After making any corrections to the insulated piping, Enterprise must conduct atmospheric corrosion inspections of all insulated piping in the TEPPCO system, provide those inspection records, and any pictures of the insulated pipe inspection, along with the insulation survey, to the Director, Southwest Region, PHMSA within **180** days of receipt of the Final Order.

- C. It is requested (not mandated) that Enterprise Products Operating, LLC maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Bryan Lethcoe, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies, and analyses, and 2) total cost associated with replacements, additions, and other changes to pipeline infrastructure.