WARNING LETTER

VIA ELECTRONIC MAIL TO: tom.long@energytransfer.com

May 22, 2024

Thomas Long
Chief Executive Officer
Energy Transfer, LP
8111 Westchester Drive
Dallas, Texas 75225

CPF 4-2024-032-WL

Dear Mr. Long:

From March 6 to October 17, 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.) conducted an on-site inspection of Enable Gas Transmission, LLC's (Enable) natural gas transmission pipeline system in Texas, Louisiana, and Arkansas.[1]

As a result of the inspection, it is alleged that Enable 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. § 192.616 Public awareness.

> **(a) . . . .**
>
> **(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.**

Enable failed to follow the general program recommendations, including baseline and supplemental requirements of API RP 1162 in accordance with § 192.616(c) and its procedure.

[1] Enable is a subsidiary of Energy Transfer, LP.

Specifically, in 2021, Enable failed to complete an annual audit or review of its program effectiveness in accordance with section 8.3 of API RP 1162 and its procedure.

Enable's procedure, *OM-006 Public Awareness Program* (Rev. 8, Sept. 23, 2021) Section 11.2 Annual Self-Assessment, requires the Program Manager (or designated representative and/or third-party) to conduct an annual self-assessment of the Program using API RP 1162, 1st Edition, Appendix E Table E-1 – I and II guidelines.

During the inspection, Enable failed to produce the annual Program review record for 2021.

Therefore, Enable failed to follow the general program recommendations, including baseline and supplemental requirements of API RP 1162 in accordance with § 192.616(c) and its procedure.

2. **§ 192.201 Required capacity of pressure relieving and limiting stations.**

(a) Each pressure relief station or pressure limiting station or group of those stations installed to protect a pipeline must have enough capacity, and must be set to operate, to insure the following:

(1) . . . .

(2) In pipelines other than a low pressure distribution system:

(i) If the maximum allowable operating pressure is 60 p.s.i. (414 kPa) gage or more, the pressure may not exceed the maximum allowable operating pressure plus 10 percent, or the pressure that produces a hoop stress of 75 percent of SMYS, whichever is lower;

Enable failed to set each pressure relief station or pressure limiting station or group of those stations installed to protect a pipeline with a maximum allowable operating pressure (MAOP) of 60 p.s.i. (414kPa) or more to ensure that pressure would not exceed the MAOP plus 10 percent, or the pressure that produces a hoop stress of 75 percent of SMYS, whichever is lower in accordance with § 192.201(a)(2)(i). Specifically, Enable failed to set the pressure limiting station/relief station on Line AM-50 at the correct pressure to protect the pipeline.

On August 23, 2023, PHMSA requested to test the capacity of a pressure limiting device (serial number of 993447-8-DA on Line AM-50). The MAOP at Bert Street Regulator Station in Daingerfield, Texas, is 257 psi. During the field inspection, the pressure limiting device failed to relieve pressure at either 257 psi (MAOP) or 282.7 psi (MAOP plus 10 percent). It relieved at 297.1 psi, over 15 percent of the MAOP for Line AM-50.

On November 30, 2023, PHMSA received Enable's repair records for Line AM-50's pressure limiting device, completed by Patriot Process Equipment, dated August 24, 2024, which showed a post-repair set pressure average of 257.4 psi.

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 $2,391,142 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 conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the items identified in this letter. Failure to do so may result in Energy Transfer, LP being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 4-2024-032-WL.** 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).

Sincerely,

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

Enclosure: Response Options for Pipeline Operators in Enforcement Proceedings

cc: Greg McIlwain, Executive Vice President of Operations, Energy Transfer, LP,
gregory.mcilwain@energytransfer.com
Eric Amundsen, Senior Vice President of Operations, Energy Transfer, LP,
eric.amundsen@energytransfer.com
Todd Stamm, Senior Vice President of Operations, Energy Transfer, LP,
todd.stamm@energytransfer.com
Jennifer Street, Senior Vice President of Operations Services, Energy Transfer, LP,
jennifer.street@energytransfer.com

Keegan Pieper, Assistant General Counsel, Energy Transfer, LP,
keegan.pieper@energytransfer.com
Mathew Stork, Vice President of Tech Services, Energy Transfer, LP,
Mathew.stork@energytransfer.com
Todd Nardozzi, Director, DOT Compliance, Energy Transfer, LP,
todd.nardozzi@energytransfer.com
Susie Sjulin, Director, DOT Compliance, Energy Transfer, LP,
susie.sjulin@energytransfer.com