

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: seanlalani@eaglelng.com

August 28, 2024

Mr. Sean Lalani
President
Eagle LNG Partners
Research Forest Lakeside No. 4
2445 Technology Forest Blvd, Suite 500,
The Woodlands, TX 77381

CPF 4-2024-041-NOA

Dear Mr. Lalani:

From April 17 to 19, 2023 of the on-site inspection, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Eagle LNG's procedures for operating and maintaining the Maxville LNG facility in Jacksonville, FL.

As a result of the inspection, PHMSA has identified the apparent inadequacies found within Eagle LNG's plans or procedures. The items inspected and the inadequacies are described below:

1. § 193.2441 Control center.

Each LNG plant must have a control center from which operations and warning devices are monitored as required by this part. A control center must have the following capabilities and characteristics:

(a)

(c) Each control center must have personnel in continuous attendance while any of the components under its control are in operation, unless the control is being performed from another control center which has personnel in continuous attendance.

Eagle LNG's written procedures for conducting operations and maintenance activities were inadequate to assure safe operation of a pipeline facility in accordance with § 193.2441(c). Specifically, Eagle LNG's *Operational Procedures Manual, EAG-OPS-001, (Rev. 2; June 22, 2023)*, section 4.0, failed to explicitly require continuous attendance in the control center. Eagle LNG must revise its procedure to require continuous attendance in the control center in accordance with § 193.2441(c).

2. § 193.2605 Maintenance procedures.

(a)

(b) Each operator shall follow one or more manuals of written procedures for the maintenance of each component, including any required corrosion control. The procedures must include:

(1) The details of the inspections or tests determined under paragraph (a) of this section and their frequency of performance; and

(2) A description of other actions necessary to maintain the LNG plant according to the requirements of this subpart.

§ 193.2637 Remedial measures.

Prompt corrective or remedial action must be taken whenever an operator learns by inspection or otherwise that atmospheric, external, or internal corrosion is not controlled as required by this subpart.

Eagle LNG's written procedures for conducting operations and maintenance activities were inadequate to assure safe operation of a pipeline facility in accordance with § 193.2605(b). Specifically, Eagle LNG's *Maintenance Procedures Manual, EAG-MPM-01, (Rev. 1; Apr. 15, 2023)*, section 22.0, failed to ensure prompt corrective or remedial action is taken whenever an operator learns by inspection or otherwise that atmospheric, external, or internal corrosion is not controlled as required by Part 193, Subpart G in accordance with § 193.2637 because it did not define "prompt" with a specific time frame for the completion of corrective or remedial actions.

Eagle LNG must revise its procedure to define "prompt" with a specific time frame for the completion of corrective or remedial actions in accordance with §§ 193.2605(b) and 193.2637.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. 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. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under § 190.211. 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 an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans

or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested (not mandated) that Eagle LNG maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Bryan Lethcoe, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 4-2024-041-NOA** 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

Enclosure: Response Options for Pipeline Operators in Enforcement Proceedings

cc: Tim Robertson, Director, Operations, timrobertson@eaglelng.com