

NOTICE OF AMENDMENT

VIA ELECTRONIC MAIL TO: maas.hinz@cheniere.com

October 16, 2025

Maas Hinz
Senior Vice President Operations
Sabine Pass LNG, L.P.
845 Texas Avenue, Suite 1250
Houston, TX 77002

CPF 4-2025-055-NOA

Dear Mr. Hinz:

From July 9 to July 25, 2024, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Sabine Pass LNG, L.P.'s¹ (Sabine Pass) procedures for atmospheric corrosion inspection, grading and remediation in Sabine Pass, Texas.

As a result of the inspection, PHMSA has identified the apparent inadequacies found within Sabine Pass's plans or procedures. The item inspected and the inadequacy is described below:

1. §193.2605 Maintenance procedures.

(a) Each operator shall determine and perform, consistent with generally accepted engineering practice, the periodic inspections or tests needed to meet the applicable requirements of this subpart and to verify that components meet the maintenance standards prescribed by this subpart.

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

¹ Sabine Pass LNG, L.P. is a subsidiary of Cheniere Energy, Inc.

Sabine Pass's written maintenance procedures are inadequate to ensure the safe operation of an LNG facility in accordance with § 193.2605(b). Specifically, Sabine Pass's procedure *External Corrosion Grading Guidelines*, Rev. 1 (9/25/2023), is inadequate and requires revision in four areas.

First, in Section 3.2, the procedure's severity criteria do not reference or align with any generally accepted engineering practices or standards. Although the procedure references standards such as ISO 4628-3, API RP 583, API 510, API 570, and API 653 in Section 6.2, none of these are incorporated by reference in § 193.2013 or § 192.7, and none include severity categorizations similar to those defined in Sabine Pass's procedure. For instance, ISO 4628-3 categorizes rusting into six levels, with four categories addressing corrosion on less than 1% of the surface area, and the most severe ISO classification applying to surfaces with 40%–50% rust, whereas Sabine Pass's procedure includes examples of cases with 100% corrosion and visible cracking.

Second, in Sections 8.0-8.20, the photographic examples provided to illustrate severity conditions are inconsistent with the accompanying written descriptions and, in some instances, are overly vague. For example, Condition A15 includes cracking and heavy corrosion, but the corresponding visual representation illustrates a condition worse than stated. Similarly, Condition A8, which shows a pipe wall fully covered with corrosion pits, is classified only as moderate corrosion. Misalignment between these visual examples and the severity categories worsens the ability of personnel to correctly grade and prioritize corrosion features for repair.

Third, the procedure assumes that all severity conditions involve total coating failure and exposed steel surfaces actively undergoing corrosion, and lacks a grading category for pipelines with disbonded, damaged, or otherwise failed coatings. This omission fails to account for the necessity of addressing coating defects, even though such issues are reported during inspections and are critical for corrosion prevention.

Fourth, the procedure is inconsistent in its prioritization of repairs according to corrosion severity. While Section 3.2 categorizes conditions A13 through A20 as severe or heavy corrosion, Section 3.3 excludes A13 and A14 from P1 priority repairs. This contradiction weakens the credibility of the repair prioritization process and may delay necessary corrective actions for severe conditions.

Overall, the procedure requires significant revision to ensure clarity, consistency, and technical accuracy. Therefore, PHMSA proposes that Sabine Pass revise its procedures to address the concerns described above.

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 60 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 Sabine Pass 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 4-2025-055-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: Lindsay Klacko, Manager, Regulatory Compliance, Cheniere Energy, Inc.,
Lindsay.klacko@cheniere.com
Andrew Kohout, Director, Division of LNG Facility Reviews and Inspections, FERC,
Andrew.kohout@ferc.gov