



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 TO: jeremy.horn@goldenpasslng.com

March 19, 2026

Jeremy Horn
Vice President of Operations
Golden Pass Pipeline LLC
350 Pine Street, Ste 1500
Beaumont, TX 77701

CPF 4-2026-008-NOPV

Dear Mr. Horn:

From July 31, 2023 to March 27, 2024 of the onsite inspection, 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 Golden Pass Pipeline, LLC's (Golden Pass) Compression Expansion Project in Jefferson and Orange Counties, Texas.

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 (CFR). The items inspected and the probable violations are:

- 1. § 192.461 External corrosion control: Protective coating.**
 - (a) Each external protective coating, whether conductive or insulating, applied for the purpose of external corrosion control must—**
 - (1) Be applied on a properly prepared surface;**

Golden Pass failed to apply external coating on properly prepared surfaces during construction of its Golden Pass Compression Expansion Project consistent with the requirements of § 192.461(a)(1) and its written specifications as required by § 192.303. Specifically, Golden Pass failed to properly prepare the surface of the pipe to remove weld spatter and other coating damage from four field joints that sustained damage during production welding prior to the application of field joint coating.

During its field inspection of Vidor Compressor Station on March 26, 2024, PHMSA observed weld spatter and other damage to mill applied FBE coating of two field joints (Welds #553, #651). However, the weld spatter was not removed prior to the application of the field applied coating. Golden Pass's written specification *Painting & Coatings* (USSP-GIE-85-MS-000-S10-0007, Rev. 62, June 2021), Section 7.2.3, "Repairs," states, "Burrs, slivers, scabs, sharp edges, and weld spatter, which become visible after abrasive blasting, shall be removed."

In addition, during its inspection of Vidor Compressor Station on March 27, 2024, PHMSA observed track-like imprints on the surface of the field applied liquid epoxy coating of two field joints (Welds #4352, #4356). The marks appeared consistent with the coating damage formed as a result of excessive heat sustained by the thermal heating element during production welding. The presence of these imprints and coating damage does not conform to Golden Pass's project coating specification. Golden Pass's specification *Painting & Coatings* (USSP-GIE-85-MS-000-S10-0007, June 2021, Rev. 62), Section 8.3.4(3), "Surface Damage/Imperfections," specifies that, "all damaged and loosely adhering coating shall be removed, and the surface thoroughly cleaned." Furthermore, Golden Pass's *Painting & Coatings* (USSP-GIE-85-MS-000-S10-0007, Rev. 62, June 2021), Section 1.7, "The Society for Protective Coatings- SSPC, SSPC-SP 10/ NACE No 2 (Near-White Blast Cleaning)," requires the coating to be free from mechanical damage, surface irregularities, or defects that may compromise coating integrity.

Therefore, Golden Pass failed to apply external coating on properly prepared surfaces during construction of its Golden Pass Compression Expansion Project consistent with the requirements of § 192.461(a)(1) and its written specifications as required by § 192.303.

2. § 192.805 Qualification program.

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(a)

(b) Ensure through evaluation that individuals performing covered tasks are qualified;

Golden Pass failed to use properly qualified individuals to perform covered tasks consistent with the requirements of § 192.805(b) and its own written qualification program. Specifically, Golden Pass failed to ensure through evaluation that individuals who performed mainline welding on their active pipeline system were qualified according to their written qualification program.

During PHMSA's field inspection on July 31 and August 1, 2023, four welders welded a 42-in diameter cap onto Golden Pass's active mainline pipeline at MP00 in Sabine Pass, Texas. This welding activity was identified as a covered task in Golden Pass's *Operator Qualification Plan* (USSP-GPO-85-YM-000-M00-0004, Rev 7, Feb 14, 2019), specifically Task CT46 (Mainline Welding on Pipelines). However, upon subsequent review of the qualification records for these four individuals, PHMSA discovered that only one of the four welders was qualified to perform this task. Consequently, three individuals performed a covered task without the qualifications required by Golden Pass's *Operator Qualification Plan*.

Therefore, Golden Pass failed to ensure through evaluation that individuals performing covered tasks were qualified to do so in accordance with § 192.805(b) and its own written qualification program.

Proposed Civil Penalty

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$272,926 per violation per day the violation persists, up to a maximum of \$2,729,245 for a related series of violations. For violation occurring on or after December 28, 2023 and before December 30, 2024, the maximum penalty may not 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 \$2,225,034 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.

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 \$76,200 as follows:

<u>Item number</u>	<u>PENALTY</u>
1	\$39,400
2	\$36,800

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 4-2026-008-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

cc: Steven Andrews, Sr. Regulatory Analyst, Golden Pass Pipeline LLC,
steven.andrews@goldenpasslng.com