



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 26, 2019

Mr. David G. Dehaemers Jr.
Chief Executive Officer
Tallgrass Energy
4200 W. 115th Street, Suite 350
Leawood, KS 66211-2609

CPF 5-2019-0019W

Dear Mr. Dehaemers:

On May 20 through May 21, 2019 a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected your gas gathering system in Douglas, Wyoming.

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. § 192.705 Transmission lines: Patrolling.

(a)

(b) The frequency of patrols is determined by the size of the line, the operating pressures, the class location, terrain, weather, and other relevant factors, but intervals between patrols may not be longer than prescribed in the following table:

Class location of line	Maximum interval between patrols	
	At highway and railroad crossings	At all other places
1, 2	7½ months; but at least twice each calendar year	15 months; but at least once each calendar year.
3	4½ months; but at least four times each calendar year	7½ months; but at least twice each calendar year.
4	4½ months; but at least four times each calendar year	4½ months; but at least four times each calendar year.

Tallgrass Energy failed to patrol its pipeline in a Class 1 location every 7 ½ months, but at least twice each calendar year in violation of §192.705(b). During the inspection, a Tallgrass Energy representative provided patrolling records conducted on September 19, 2018 but failed to provide records to indicate that patrolling has been conducted in 2017.

2. § 192.465 External corrosion control: Monitoring.

(a)

(b) Each cathodic protection rectifier or other impressed current power source must be inspected six times each calendar year, but with intervals not exceeding 2½ months, to insure that it is operating.

Tallgrass Energy failed to inspect its Tongue River cathodic protection rectifier six times each calendar year, but with intervals not exceeding 2 ½ months to ensure that it is operating in violation of §192.465(b). At the time of inspection, Tallgrass Energy was not able to provide records to demonstrate that its cathodic protection rectifier had been inspected between June 2017 and January 2018.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$213,268 per violation per day the violation persists, up to a maximum of \$2,132,679 for a related series of violations. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 for a related series of violations. 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 will result in Tallgrass Energy 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 5-2019-0019W**. 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,

A handwritten signature in black ink, appearing to read "Dustin B. Hubbard", with a long, sweeping horizontal line extending to the right.

Dustin Hubbard
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 G. Ogirima (#165183)
Jennifer Eckels, Compliance Manager, 370 Van Gordon Street, Lakewood, CO 80228