

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED COMPLIANCE ORDER**

VIA ELECTRONIC MAIL TO: cynthia.hansen@enbridge.com;
michael.koby@enbridge.com; leo.rosasjr@enbridge.com

November 27, 2023

Cynthia Hansen
EVP & President Gas Transmission and Midstream - Enbridge Inc.
915 N Eldridge Parkway, Suite 1100
Houston, TX 77079

CPF 3-2023-033-NOPV

Dear Ms. Hansen:

From March 28 through September 23, 2022, representatives 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 the Enbridge_Gas_Spectra_TX_Eastern_East inspection system which consists of two of your subsidiaries, namely, Texas Eastern Transmission, LP (TET East) and Egan Hub Storage, LLC, across Alabama, Kentucky, Louisiana, Mississippi, Tennessee, and 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. § 192.625 Odorization of gas.**
 - (a) A combustible gas in a distribution line must contain a natural odorant or be odorized so that at a concentration in air of one-fifth of the lower explosive limit, the gas is readily detectable by a person with a normal sense of smell.**

- (b) **After December 31, 1976, a combustible gas in a transmission line in a Class 3 or Class 4 location must comply with the requirements of paragraph (a) of this section unless:**
- (1)
- (3) **In the case of a lateral line which transports gas to a distribution center, at least 50 percent of the length of that line is in a Class 1 or Class 2 location;**

Texas Eastern Transmission did not odorize a lateral that is located in a Class 3 area. This location of the lateral did not meet the exception from odorization for being in an area where it is at least fifty percent (50%) Class 1 or 2.

At the intersection of Highway 65 and Highway 412 near Columbia, Tennessee, a lateral (Line ID 15-F) branches off Line 15 to a meter station. The length of that lateral is approximately 0.20 miles. The lateral is located entirely in a Class 3 area, according to Texas Eastern personnel, and does not meet the exception in § 192.625(b)(3). Therefore, the lateral must be odorized.

Proposed Civil Penalty

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to 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 \$2,251,334 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. 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.

We have reviewed the circumstances and supporting documents involved in this case, and have decided not to propose a civil penalty assessment at this time.

Proposed Compliance Order

With respect to item 1 pursuant to 49 U.S.C. § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Texas Eastern Transmission. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

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 3-2023-033-NOPV** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Gregory A. Ochs
Director, Central Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration

cc: Michael Koby, SVP & Chief Operations Officer (michael.koby@enbridge.com)
Leo Rosas, Supervisor, Operational Compliance (leo.rosasjr@enbridge.com)

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Enforcement Proceedings

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Texas Eastern Transmission a Compliance Order incorporating the following remedial requirements to ensure the compliance of Texas Eastern Transmission with the pipeline safety regulations:

- A. In regard to item 1 of the Notice pertaining to odorizing Line ID 15-F, Texas Eastern Transmission must submit a schedule for odorizing Line ID 15-F within **30** days of receipt of the Final Order. Within **60** days of receipt of the Final Order, identify all laterals within the Texas Eastern Transmission East (TET East) inspection system that meet the requirement of odorization in accordance with §192.625(b)(3) and submit a proposed schedule to add odorization to the identified laterals. Finally, odorization of line 15-F must be completed within **270** days of receipt of the Final Order. Once odorization is complete for the additional identified laterals that require odorization (if any are identified) in accordance with §192.625(b)(3), submit evidence of the completed work.
- B. When Proposed Compliance Order items extend beyond 90 days to complete, Texas Eastern Transmission must begin, and continue submitting quarterly reports until all work necessary to implement the Compliance Order items is complete and the Final Order closed. Quarterly reports shall be submitted to Gregory A. Ochs, Director, OPS Central Region, Pipeline and Hazardous Materials Safety Administration.
- C. It is requested that Texas Eastern Transmission maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Gregory A. Ochs, Director, OPS Central Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.