



U.S. Department
of Transportation

**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue, SE
Washington, D.C. 20590

MAY 10 2016

Mr. Jason Palombo
Interim Pipeline Manager
Energy XXI Pipeline, LLC
1021 Main
Houston, TX 77002

PHMSA-2016-0039

Dear Mr. Palombo:

The Pipeline and Hazardous Materials Safety Administration (PHMSA), has received your February 16, 2016, letter requesting a waiver of compliance with certain requirements in the Federal pipeline safety regulations contained in 49 CFR 195.452(j)(3). Your request is for PHMSA to extend the reassessment deadline for the Energy XXI Pipeline, South Pass Block 89B, Gulf of Mexico, to the South Pass West Delta Receiving Station in Plaquemine Parish, Louisiana, for 120 days until August 21, 2016. The pipeline was due for reassessment by August 23, 2015, but not later than April 23, 2016.

PHMSA has assigned docket number PHMSA-2016-0036 to your request in the U.S. Department of Transportation's Dockets Management System, which is available at <http://www.regulations.gov>. We will post your request, supplemental information and other related documents in this docket.

Your late request of February 16, 2016, does not allow the 120 days lead time necessary for the processing of the requested special permit extension of § 195.452(j)(3). Some of the actions in the processing of a special permit include:

- The receiving, reviewing and distribution of special permit materials to subject matter experts for technical review
- The publication of the special permit request in the Federal Register for 30 days minimum, followed by the review of any public comments received, and
- Pursuant to the National Environmental Policy Act of 1970 (42 U.S.C. 4321-4375), the review and technical analysis of an Environmental Assessment of the special permit area is necessary. The completed Environmental Assessment Questionnaire is missing from your application.

MAY 10 2016

Mr. Jason Palombo
Energy XXI Pipeline
PHMSA-2016-0039

PHMSA is hereby denying your request for a special permit.

My staff would be pleased to discuss this special permit denial or any other regulatory matter with you. Mr. John Gale, Director, Division of Standards and Rulemaking, may be contacted at 202-366-0434, for regulatory matters and Mr. Kenneth Lee, Director, Division of Engineering and Research, may be contacted at 202-366-2694, for technical matters specific to this denial.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan K. Mayberry". The signature is fluid and cursive, with the first name "Alan" and last name "Mayberry" clearly distinguishable.

Alan K. Mayberry
Acting Associate Administrator for Pipeline Safety