

SEPTEMBER 28, 2012

Mr. Michael A. Creel
Director, President and Chief Executive Officer
Enterprise Crude Pipelines, LLC
1100 Louisiana Street
Houston, TX 77002

Re: CPF No. 4-2012-5007

Dear Mr. Creel:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation and finds that Enterprise Crude Pipelines, LLC has completed the actions specified in the Notice to comply with the pipeline safety regulations. Therefore, this case is now closed. Service of the Final Order by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. Rodrick M. Seeley, Director, Southwest Region, OPS
Mr. Kevin Bodenhamer, Enterprise Crude Pipelines, LLC, 1100 Louisiana Street
Houston, TX 77002
Mr. Alan Mayberry, Deputy Associate Administrator for Field Operations, OPS

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

)	
In the Matter of)	
)	
Enterprise Crude Pipelines, LLC,)	CPF No. 4-2012-5007
)	
Respondent.)	
)	

FINAL ORDER

On April 11-15, 2011, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of Enterprise Crude Pipelines, LLC’s (Enterprise or Respondent) East Cushing Terminal in Cushing, Oklahoma. Enterprise Crude Pipelines is a subsidiary of Enterprise Products Partners L.P. whose system consists of approximately 4,700 miles of crude oil pipelines and 11 million barrels of crude oil storage.

As a result of the inspection, the Director, Southwest Region, OPS (Director), issued to Respondent, by letter dated March 12, 2012, a Notice of Probable Violation and Proposed Compliance Order (Notice), which also included a warning pursuant to 49 C.F.R. § 190.205. In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Enterprise violated 49 C.F.R. § 195.264 and proposed ordering Respondent to take certain measures to correct the alleged violation. The warning items required no further action, but warned the operator to correct the probable violations or face possible enforcement action.

Enterprise responded to the Notice by letter dated April 26, 2012 (Response). The company did not contest the allegation of violation but provided information concerning corrective actions it has taken in response to the Notice. Respondent did not request a hearing and therefore has waived its right to one.

FINDING OF VIOLATION

In its Response, Enterprise did not contest the allegation in the Notice that it violated 49 C.F.R. Part 195, as follows:

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 195.264, which states in relevant part:

§ 195.264 Impoundment, protection against entry, normal/emergency venting or pressure/vacuum relief for aboveground breakout tanks.

(a) A means must be provided for containing hazardous liquids in the event of spillage or failure of an aboveground breakout tank.

(b) After October 2, 2000, compliance with paragraph (a) of this section requires the following for the aboveground breakout tanks specified:

(1) For tanks built to API Specification 12F, API Standard 620, and others (such as API Standard 650 or its predecessor Standard 12C), the installation of impoundment must be in accordance with the following sections of NFPA 30:

(i) Impoundment around a breakout tank must be installed in accordance with section 4.3.2.3.2; and

(ii) Impoundment by drainage to a remote impounding area must be installed in accordance with section 4.3.2.3.1.

(2) For tanks built to API 2510, the installation of impoundment must be in accordance with section 5 or 11 of API 2510 (incorporated by reference, *see* § 195.3).

The Notice alleged that Respondent violated 49 C.F.R. § 195.264 by failing to provide a means for containing hazardous liquids in the event of a spillage or failure of an aboveground breakout tank, as required by the applicable NFPA 30 requirements. Specifically, the Notice alleged that Enterprise was unable to provide either surveys or calculations demonstrating that the containment dike volume at the East Cushing Terminal was established according to NFPA 30. Enterprise constructed the additional breakout tanks as recently as 2006, but was unable to provide documentation establishing that the impoundment around the tanks was installed in accordance with NFPA 30.

Respondent did not contest this allegation of violation, but provided further information regarding actions taken after receiving the Notice.

Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.264 by failing to install impoundment around its breakout tanks according to NFPA 30.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 1 in the Notice for violation of 49 C.F.R. § 195.264. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. The Director indicates that Respondent has taken the following actions specified in the proposed compliance order:

1. With respect to the violation of § 195.264 (**Item 1**), Respondent has provided documentation, including secondary containment diagrams demonstrating the secondary containment after addition of the most recent tank at Enterprise's East Cushing, Oklahoma terminal. The current survey confirms compliance with the applicable requirements of NFPA 30, incorporated by reference into Part 195.

Accordingly, I find that compliance has been achieved with respect to this violation. Therefore, the compliance terms proposed in the Notice are not included in this Order.

WARNING ITEMS

With respect to Items 2, 3 and 4, the Notice alleged probable violations of Part 195 but did not propose a civil penalty or compliance order for these items. Therefore, these are considered to be warning items. The warnings were for:

49 C.F.R. § 195.432 (**Item 2**) — Respondent's alleged failure to inspect in-service breakout tanks in accordance with the requirements of § 195.432(a)-(d);

49 C.F.R. § 195.432 (**Item 3**) — Respondent's alleged failure to make repairs recommended by API 653 inspections or have adequate documentation to demonstrate that the operator evaluated such repairs and determined that they were not necessary; and

49 C.F.R. § 195.505 (**Item 4**) — Respondent's alleged failure to have and follow a written qualification program with provisions to ensure through evaluation that individuals performing covered tasks are qualified.

Enterprise presented information in its Response showing that it took certain actions to address the cited items and providing certain documentation that was not submitted prior to issuance of the Notice. If OPS finds a violation of any of these items, Respondent may be subject to future enforcement action.

The terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Date Issued