



U.S. Department of Transportation
Pipeline and Hazardous Materials
Safety Administration

1200 New Jersey Ave, S.E.
Washington, D.C. 20590

APR 22 2010

Mr. Terry L. Hurlburt
Senior Vice President, Operations
TE Products Pipeline Company, LLC
Enterprise Products Partners L.P.
1100 Louisiana Street
Houston, TX 77002

Re: CPF No. 4-2009-5011

Dear Mr. Hurlburt:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation and assesses a civil penalty of \$17,500. It further finds that TE Products Pipeline Company, LLC has completed the actions specified in the Notice to comply with the pipeline safety regulations and acknowledges receipt of your payment of the full penalty amount, by wire transfer, dated February 17, 2010. 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. R. M. Seeley, Director, Southwest Region, PHMSA

CERTIFIED MAIL – RETURN RECEIPT REQUESTED [7005 1160 0001 0043 9320]

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

_____)	
In the Matter of)	
)	
TE Products Pipeline Company, LLC,)	CPF No. 4-2009-5011
)	
Respondent.)	
_____)	

FINAL ORDER

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 investigation of a pipeline accident that occurred on November 18, 2007, at TE Products Pipeline Company, LLC's (TEPPCO or Respondent) Egypt Pump Station near Walnut Ridge, Arkansas. TEPPCO, a subsidiary of Enterprise Products Partners L.P., operates approximately 4,500 miles of interstate pipelines that transport refined petroleum products and highly volatile liquids in the South and Midwest.

As a result of the inspection, the Director, Southwest Region, OPS (Director), issued to TEPPCO, by letter dated December 1, 2009, a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had committed two violations of 49 C.F.R. § 195.402 and proposed assessing the company a civil penalty of \$17,500 for one of those violations. The Notice also proposed ordering Respondent to take certain measures to correct the other alleged violation.

TEPPCO failed to respond within 30 days of receipt of service of the Notice. Such failure to respond constitutes a waiver of Respondent's right to contest the allegations in the Notice and authorizes the entry of this Final Order.¹ On February 17, 2010, Respondent submitted a wire transfer in the amount of the proposed civil penalty (\$17,500). Payment of the penalty serves to close this case with prejudice to Respondent.²

¹ § 190.209(c).

² § 190.209(a)(1).

FINDINGS OF VIOLATION

TEPPCO has waived its right to contest the allegations 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. § 195.402(a), which states:

§ 195.402 Procedural manual for operations, maintenance, and emergencies.

(a) *General.* Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies

The Notice alleged that Respondent violated § 195.402(a) by failing to have and follow written procedures for maintaining the chain of custody for components suspected to be involved in a pipeline accident or release. Following a pipeline accident on November 18, 2007, Respondent lost a valve suspected to be involved in an accident, and therefore was unable to perform requisite laboratory testing on the component. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.402(a) by failing to have and follow written procedures for maintaining the chain of custody for components suspected to be involved in a pipeline accident or release.

Item 2: The Notice alleged that Respondent violated 49 C.F.R. § 195.402(c)(5), which states:

§ 195.402 Procedural manual for operations, maintenance, and emergencies.

(a)

(c) *Maintenance and normal operations.* The manual required by paragraph (a) of this section must include procedures for the following to provide safety during maintenance and normal operations . . .

(5) Analyzing pipeline accidents to determine their causes.

The Notice alleged that Respondent violated § 195.402(c)(5) by failing to follow its written procedures for analyzing pipeline accidents to determine their causes. Specifically, Respondent failed to follow its Procedure E-400, "Investigation of Failures," which required that the company maintain and test any materials involved in a failure or accident. Respondent failed to maintain or test a suspect valve involved in a pipeline accident on November 18, 2007. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.402(c)(5) by failing to follow its written procedures for analyzing pipeline accidents to determine their causes.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

Having reviewed the record and considered the assessment criteria, I assess TEPPCO a civil penalty of \$17,500 for the violation of § 195.402(c)(5) (**Item 2**), which has already been paid by Respondent.

COMPLIANCE ORDER

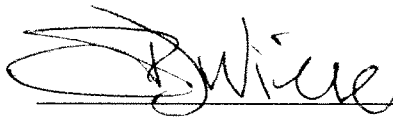
The Notice proposed a compliance order with respect to the violation of 49 C.F.R. § 195.402(a) (**Item 1**). Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids by pipeline or who owns or operates a hazardous liquid pipeline facility is required to comply with the applicable safety standards established under chapter 601.

The Director has indicated that Respondent has taken the following actions specified in the proposed compliance order:

TEPPCO has amended its procedures to ensure that the chain of custody is established in order to secure items and components involved in accidents or releases and maintain those components for laboratory testing.

Accordingly, since compliance has been achieved with respect to this violation, the compliance terms are not included in this Order.

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

APR 22 2010

Date Issued