



SUSANA MARTINEZ
Governor
JOHN A. SANCHEZ
Lieutenant Governor

State of New Mexico
ENVIRONMENT DEPARTMENT

Hazardous Waste Bureau

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BUTCH TONGATE
Cabinet Secretary
J. C. BORREGO
Deputy Secretary

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

June 8, 2017

Mr. Thomas E. Long
Chief Financial Officer
Energy Transfer Partners, L.P.
3738 Oak Lawn Avenue
Dallas, Texas 75219

Ms. Stacy Boultinghouse, P.G.
Environmental Manager
Energy Transfer Company
800 Sonterra Blvd.
San Antonio, Texas 78528

**RE: ESTIMATED COST OF WORK FOR CORRECTIVE ACTION
FINANCIAL ASSURANCE AND FORM 10-K
TRANSWESTERN COMPRESSOR STATION NO. 9 – ROSWELL
TRANSWESTERN PIPELINE COMPANY, LLC
EPA ID #NMD986676955
HWB-TWP-MISC**

Dear Mr. Long and Ms. Boultinghouse:

The New Mexico Environment Department (NMED) has completed its review of the Transwestern Pipeline Company, LLC (Transwestern) financial assurance submittal dated March 31, 2017 and Form 10-K dated March 31, 2017. Transwestern has met the requirements to submit the financial assurance information for 2017 and must address the following comments.

Comment 1

Although Transwestern meets the requirements of the Alternative II Financial Test, the bond rating of “Baa3” from Moody’s and “BBB-” from Standard & Poor’s are the lowest acceptable bond ratings for Alternative II. Should Transwestern fail to pass Alternative II at any time during the year, NMED must be notified of the failed test and Transwestern must put in place an alternative financial assurance mechanism.

Mr. Long and Ms. Boultinghouse

June 2, 2017

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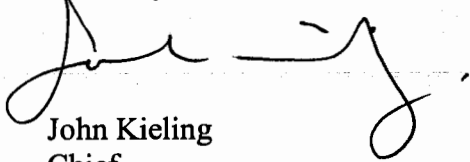
Comment 2

Going forward, the table labeled *10-Year Estimated Cost of Work for Site Monitoring and System Operation & Maintenance* should include a footnote clarifying the difference between the cumulative cost estimate including reoccurring costs (e.g., \$2,340,188.13) and the cumulative cost estimate without reoccurring costs (e.g., \$2,205,088.13). Include a footnote on the last page of the table for transparency in future submittals.

Transwestern must incorporate Comments 1 and 2 from this letter for future financial assurance submittals.

If you have any questions, please contact Stacie Singleton of my staff at 505-476-6056.

Sincerely,



John Kieling

Chief

Hazardous Waste Bureau

New Mexico Environment Department

cc: D. Cobrain, NMED HWB
M. Suzuki, NMED HWB
L. Tsinnajinnie, NMED HWB
S. Singleton, NMED HWB
J. Haines, EarthCon Consultants, Inc.
L. King, EPA Region 6 (6PD-N)

File: TWP 2017 and Reading File, HWB-TWP-MISC