



SUSANA MARTINEZ
Governor

JOHN A. SANCHEZ
Lt. Governor

NEW MEXICO  **ENTERED**
ENVIRONMENT DEPARTMENT

2905 Rodeo Park Drive East, Building 1
Santa Fe, New Mexico 87505-6313
Phone (505) 476-6000 Fax (505) 476-6030

www.env.nm.gov



BUTCH TONGATE
Cabinet Secretary - Designate

J. C. BORREGO
Deputy Secretary

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

January 24, 2017

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

Ms. Stacy Boultinghouse, PG
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, 2016 and Form 10-K dated August 10, 2016. Transwestern has met the requirements to submit the financial assurance information for 2016 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 alternate financial assurance mechanism.

Mr. Long and Ms. Boultinghouse

January 24, 2017

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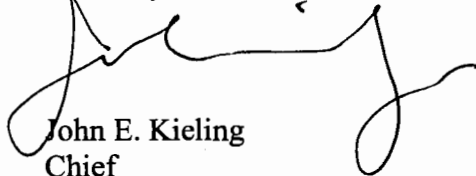
Comment 2

Going forward, Transwestern must use the cost estimate for the ten-year period 2017 to 2027 (updated to begin each year subsequent year) using the cumulative inflation rate in accordance with 40 CFR 264.144(b).

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

If you have any questions, please contact Leona Tsinnajinnie of my staff at 505-476-6057.

Sincerely,



John E. Kieling
Chief
Hazardous Waste Bureau

JEK:lt

cc: D. Cobrain, NMED HWB
K. Van Horn, 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