

December 8, 2021

VIA ELECTRONIC MAIL TO: jhartz@ugies.com

Mr. Joseph Hartz
President
UGI Energy Services, LLC
1 Meridian Boulevard
Wyomissing, Pennsylvania 19610

Re: CPF No. 1-2021-018-NOPV

Dear Mr. Hartz:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation, assesses a civil penalty of \$27,400, and specifies actions that need to be taken to comply with the pipeline safety regulations. When the civil penalty has been paid and the terms of the compliance order are completed, as determined by the Director, Eastern Region, this enforcement action will be closed. Service of the Final Order by e-mail is effective upon the date of transmission as provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosures (Final Order and NOPV)

cc: Mr. Robert Burrough, Director, Eastern Region, Office of Pipeline Safety, PHMSA
Mr. Frank H. Markle, Senior Counsel, UGI Corporation, marklef@ugicorp.com
Mr. Keith Coyle, Counsel for UGI Energy Services, LLC, Babst Calland,
kcoyle@babstcalland.com

CONFIRMATION OF 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)	
)	
UGI Energy Services, LLC,)	CPF No. 1-2021-018-NOPV
)	
Respondent.)	
)	

FINAL ORDER

On October 14, 2021, pursuant to 49 C.F.R. § 190.207, the Director, Eastern Region, Office of Pipeline Safety (OPS), issued an Amended Notice of Probable Violation (Notice) to UGI Energy Services, LLC (Respondent).¹ The Notice proposed finding that Respondent had violated the pipeline safety regulations in 49 C.F.R. Part 193. The Notice also proposed certain measures to correct the violations. Respondent did not contest the allegations of violation, the proposed civil penalty, or corrective measures.

Based upon a review of all of the evidence, pursuant to § 190.213, I find Respondent violated the pipeline safety regulations listed below, as more fully described in the enclosed Notice, which is incorporated by reference:

49 C.F.R. § 193.2441 (**Item 1**) — Respondent failed to have the required capabilities and characteristics at its control centers used for monitoring operations because each of its remotely actuated control systems and each automatic shutdown control system was not operable from its off-site control center location.

49 C.F.R. § 193.2623 (**Item 2**) — Respondent failed to inspect or test its LNG Temple II storage tank to verify that inner tank leakage, effectiveness of insulation, and frost heave do not impair the structural integrity or safety of the tank.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent. In accordance with 49 C.F.R. § 190.223, I assess Respondent a total civil penalty of **\$27,400**.

¹ The original Notice of Probable Violation was issued on June 24, 2021.

Payment of the civil penalty must be made within 20 days of service. Federal regulations (49 C.F.R. § 89.21(b)(3)) require such payment to be made by wire transfer through the Federal Reserve Communications System (Fedwire), to the account of the U.S. Treasury. Detailed instructions are contained in the enclosure. Questions concerning wire transfers should be directed to: Financial Operations Division (AMK-325), Federal Aviation Administration, Mike Monroney Aeronautical Center, 6500 S MacArthur Blvd, Oklahoma City, Oklahoma 79169. The Financial Operations Division telephone number is (405) 954-8845.

Failure to pay the \$27,400 civil penalty will result in accrual of interest at the current annual rate in accordance with 31 U.S.C. § 3717, 31 C.F.R. § 901.9 and 49 C.F.R. § 89.23. Pursuant to those same authorities, a late penalty charge of six percent (6%) per annum will be charged if payment is not made within 110 days of service. Furthermore, failure to pay the civil penalty may result in referral of the matter to the Attorney General for appropriate action in a district court of the United States.

COMPLIANCE ACTIONS

Pursuant to 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the action proposed in the enclosed Notice to correct the violation. The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent and demonstrating good cause for an extension. Upon completion of ordered action, Respondent may request that the Director close the case. Failure to comply with this Order may result in the assessment of civil penalties under 49 C.F.R. § 190.223 or in referral to the Attorney General for appropriate relief in a district court of the United States.

WARNING ITEM

With respect to Item 3, the Notice alleged a probable violation of 49 C.F.R. § 193.2639 but did not propose a civil penalty or compliance order for this item. Therefore, this is considered to be a warning item. If OPS finds a violation of this provision in a subsequent inspection, Respondent may be subject to future enforcement action.

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

December 8, 2021

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Date Issued