



July 23, 2021

Via E-Mail and Overnight Delivery

Robert Burrough
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration
840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628

RE: C.P.F. No. 1-2021-052-NOPV

Response to Notice of Probable Violation and Proposed Compliance Order

Dear Mr. Burrough:

This letter constitutes the formal response of UGI Energy Services, LLC (“UGIES”) to the Notice of Probable Violation and Proposed Compliance Order issued by the Pipeline and Hazardous Materials Safety Administration (“PHMSA”) dated June 24, 2021 and received on June 28, 2021 (the “NOPV”), asserting alleged inadequacies found within UGIES’ administration of its Drug and Alcohol (“D&A”) Program and its anti-drug and alcohol misuse plans. The NOPV includes a Proposed Compliance Order, requiring UGIES to develop new anti-drug and alcohol misuse prevention plans that conform to PHMSA’s regulations.

The NOPV includes four separate allegations with respect to UGIES’ D&A Program. Allegations 3 and 4 assert that UGIES’ written anti-drug and alcohol misuse plans do not conform to 49 C.F.R. Part 40 and 49 C.F.R. Part 199. UGIES does not contest these allegations and accepts fully the terms of the Proposed Compliance Order. UGIES is in the process of developing a new combined anti-drug and alcohol misuse prevention plan that contains the specific measures and procedures it will use to comply with all of the requirements of 49 C.F.R. Part 199 and 49 C.F.R. Part 40. UGIES will submit the plan to PHMSA for review within 90 days of receipt of the Final Order.

Allegations 1 and 2 of the NOPV identify two specific concerns with the administration of the D&A Program that occurred during calendar year 2020. Specifically: (1) UGIES did not obtain written consent and did not check the D&A testing records from prior employers for 16 employees it hired to perform D&A covered functions on its PHMSA regulated facilities, in violation of 49 C.F.R. §40.25; and (2) UGIES placed employees not covered by DOT regulations in the same drug test pool with DOT covered employees, contravening the requirements of 49 C.F.R. §40.347. UGIES agrees with these findings and acknowledges the violations. These requirements will be expressly recognized in UGIES’ new combined anti-drug and alcohol misuse prevention plan.

Robert Burrough, Director, Eastern Region

PHMSA

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Please contact Keith Coyle at (202) 853-3460 or me at (610) 768-3625 with any questions or if you wish to discuss this matter further.

Very truly yours,

A handwritten signature in blue ink that reads "Frank H. Markle". The signature is written in a cursive style with a large, stylized "F" and "M".

Frank H. Markle
Senior Counsel
UGI Corporation

Attorney for UGI Energy Services, LLC

Cc: Erin Hendrixson, Counsel for PHMSA
Keith Coyle, Counsel for UGIES