

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 25, 2019

Mr. Hugh Gallagher
President and CEO
AmeriGas Propane, LP
460 N. Gulph Road
King of Prussia, PA 19406

CPF 2- 2019-0002W

Dear Mr. Gallagher:

On July 11, 2018, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Southern Region, Office of Pipeline Safety(OPS), inspected AmeriGas Propane, LP (AmeriGas) liquefied petroleum gas (LP-Gas) records and selected procedures in its Naples, Florida, office and pipeline facilities in Collier County, Florida, pursuant to Chapter 601 of 49 United States Code (U.S.C.). The AmeriGas Naples location operates under the Balgas business name.

As a result of the inspection, it is alleged that AmeriGas has committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations (CFR). The item inspected and the probable violation is:

1. **§ 192.707 Line markers for mains and transmission lines.**
 - (a)
 - (d) **Marker warning. The following must be written legibly on a background of sharply contrasting color on each line marker:**
 - (1) **The word “Warning,” “Caution,” or “Danger” followed by the words “Gas (or name of gas transported) Pipeline” all of which, except for markers in heavily developed urban areas, must be in letters at least 1 inch (25 millimeters) high with 1/4 inch (6.4 millimeters) stroke.**

(2) The name of the operator and the telephone number (including area code) where the operator can be reached at all times.

AmeriGas failed to meet the requirements of § 192.707(d)(1), which required, in part, that its pipeline markers contained the word “Warning,” “Caution,” or “Danger” followed by the words “Gas (or name of gas transported) Pipeline.” During the field inspection of the Coastland Mall system, the PHMSA representative observed pipeline markers that contained only the name and phone number of the operator without the words “Warning,” “Caution,” or “Danger” followed by the words “Gas (or name of gas transported) Pipeline.”

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, AmeriGas is subject to a civil penalty not to exceed \$209,002 per violation per day the violation persists, up to a maximum of \$2,090,022 for a related series of violations. For violations occurring prior to November 2, 2015, the maximum penalty may not exceed \$200,000 per violation per day, with a maximum penalty not to exceed \$2,000,000 for a related series of violations. We have reviewed the circumstances and supporting documents involved in this case, and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the item identified in this letter. Failure to do so will result in AmeriGas being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 2-2019-0002W**. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b).

Sincerely,

James A. Urisko
Director, Office of Pipeline Safety
PHMSA Southern Region