

VIA EMAIL TO: tandrews@paradigmmidstream.com and dluedtke@paradigmmidstream.com

Mr. Troy Andrews
Chief Executive Officer
Paradigm Energy Partners, LLC
545 East John Carpenter Freeway
Suite 800
Irving, Texas 75062

Re: CPF No. 3-2019-6008

Dear Mr. Andrews:

Enclosed please find the Final Order issued in the above-referenced case to your subsidiary, Paradigm Midstream, LLC. It makes findings of violation and assesses a civil penalty of \$59,000. When the civil penalty has been paid, this enforcement action will be closed. Service of the Final Order by e-mail is effective upon the date of mailing 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. Allan Beshore, Director, Central Region, Office of Pipeline Safety, PHMSA
Mr. Don Luedtke, HSSE & Regulatory Compliance Director, Paradigm Midstream, LLC

VIA EMAIL – 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)

Paradigm Midstream, LLC,)
a subsidiary of Paradigm Energy Partners, LLC,)

Respondent.)

CPF No. 3-2019-6008

FINAL ORDER

On November 26, 2019, pursuant to 49 C.F.R. § 190.207, the Director, Central Region, Office of Pipeline Safety (OPS), issued a Notice of Probable Violation (Notice) to Paradigm Energy Partners, LLC. The Notice proposed finding that Paradigm Energy Partner’s subsidiary, Paradigm Midstream, LLC, (Respondent) had violated the pipeline safety regulations in 49 C.F.R. Parts 194 and 195, and proposed a civil penalty of \$59,000. Respondent did not contest the allegations of violation or the proposed civil penalty.

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. § 194.7(b) (**Item 1**) — Respondent failed to operate its onshore pipeline facilities in accordance with the applicable response plan. Specifically, Respondent failed to conduct the required National Preparedness for Response Exercise Program (PREP) drills and equivalent to PREP, in accordance with its Spill Response Plan, in 2015 and 2016.

49 C.F.R. § 195.402(c)(12) (**Item 2**) — Respondent failed to have written procedures for establishing and maintaining liaison with fire, police, and other appropriate public officials.

49 C.F.R. § 195.403(b)(1) (**Item 3**) — Respondent failed to review with personnel their performance in meeting the objectives of the emergency response training program at intervals not exceeding 15 months, but at least once each calendar year.

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, Respondent is

assessed a civil penalty amount of **\$59,000**.

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 \$ 59,000 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.

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

April 6, 2020

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Date Issued