

December 4, 2020

VIA ELECTRONIC MAIL TO: matthew.ramsey@energytransfer.com

Mr. Matthew Ramsey
Chief Operating Officer
Energy Transfer, LP
8111 Westchester Drive
Dallas, Texas 75225

Re: CPF No. 3-2020-1005

Dear Mr. Ramsey:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation against your subsidiary, Panhandle Eastern Pipeline Company, LP, finds that the civil penalty amount of \$226,500 has been paid in full, and specifies actions that need to be taken to comply with the pipeline safety regulations. When the terms of the compliance order are completed, as determined by the Director, Central Region, this enforcement action will be closed. Service of the Final Order by electronic 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. Gregory Ochs, Director, Central Region, Office of Pipeline Safety, PHMSA
Mr. Kelcy Warren, Chief Executive Officer, Energy Transfer,
kelcy.warren@energytransfer.com
Mr. Eric Amundsen, Senior Vice President, Operations, Energy Transfer,
eric.amundsen@energytransfer.com
Mr. Todd Nardoizzi, Director, Regulatory Compliance, Energy Transfer,
todd.nardoizzi@energytransfer.com

CONFIRMATION OF RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

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In the Matter of)))))
Panhandle Eastern Pipeline Company, LP, a subsidiary of Energy Transfer, LP,))))	CPF No. 3-2020-1005
Respondent.)))))

FINAL ORDER

On September 9, 2020, 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 Panhandle Eastern Pipeline Company, LP (Respondent). The Notice proposed finding that Respondent had violated the pipeline safety regulations in 49 C.F.R. Part 192. The Notice also proposed certain measures to correct the violations. Respondent did not contest the allegations of violation or corrective measures, and paid the proposed civil penalty on November 3, 2020.

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. § 192.167(a)(4)(ii) (**Item 1**) — Respondent failed to failed to provide operable emergency shutdown (ESD) systems in at least two locations, each of which was outside the gas area of the compressor station and near the exit gates of the fenced stations;

49 C.F.R. § 192.709(c) (**Item 3**) — Respondent failed to retain records of each patrol, survey, inspection, and test required by subpart M of Part 192 for at least 5 years or until the next patrol, survey, inspection, or test is completed, or whichever is longer;

49 C.F.R. § 192.745(a) (**Item 4**) — Respondent failed to inspect and partially operate transmission line valves that might be required during an emergency at intervals not exceeding 15 months, but at least once each calendar year; and

49 C.F.R. § 192.937(b) (**Item 6**) — Respondent failed to follow its integrity management plan for performing a continual process of evaluation and assessment to maintain its pipeline integrity.

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 the proposed civil penalty amount of \$226,500, which Respondent has already paid in full.

COMPLIANCE ACTIONS

Pursuant to 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the actions proposed in the enclosed Notice to correct the violations. 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 actions, 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 ITEMS

With respect to Items 2 and 5, the Notice alleged probable violations of 49 C.F.R. §§ 192.605(b)(3) and 192.905(c), respectively, but did not propose a civil penalty or compliance order for these items. Therefore, these are considered to be warning items. If OPS finds a violation of any of these items 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 4, 2020

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Date Issued