

July 2, 2020

**VIA ELECTRONIC MAIL TO: [jshipper@pantherassetmgmt.com](mailto:jshipper@pantherassetmgmt.com)**

Mr. Jeff Shipper  
Manager  
Panther Interstate Pipeline Energy, LLC  
1505 Texas Loop 197 South  
Texas City, Texas 77592

**Re: CPF No. 4-2020-2001**

Dear Mr. Shipper:

Enclosed please find the Final Order issued in the above-referenced case. It makes findings of violation 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, Southwest Region, this enforcement action will be closed. Service of the Final Order by electronic 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: Ms. Mary McDaniel, Director, Southwest Region, Office of Pipeline Safety, PHMSA

**CONFIRMATION OF RECEIPT REQUESTED**

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

	)	
<b>In the Matter of</b>	)	
	)	
<b>Panther Interstate Pipeline Energy, LLC,</b>	)	<b>CPF No. 4-2020-2001</b>
	)	
<b>Respondent.</b>	)	
	)	

**FINAL ORDER**

On April 23, 2020, pursuant to 49 C.F.R. § 190.207, the Director, Southwest Region, Office of Pipeline Safety (OPS), issued a Notice of Probable Violation (Notice) to Panther Interstate Pipeline Energy, LLC (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 provided information relevant to its purported compliance with Items 2 and 3 of the compliance order.

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. § 192.469 (**Item 2**) — Respondent failed to have sufficient test stations or other contact points for electrical measurement to determine the adequacy of cathodic protection for each pipeline under cathodic protection required by Part 192; and

49 C.F.R. § 192.612(a) & (b) (**Item 3**) — Respondent failed to follow its procedure to identify its pipelines in the Gulf of Mexico and its inlets in waters less than 15 feet (4.6 meters) deep as measured from mean low water that are at risk of being an exposed underwater pipeline or a hazard to navigation, and failed to conduct appropriate periodic underwater inspections of these lines based on the identified risk.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

**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 1, 4 and 5, the Notice alleged probable violations of 49 C.F.R. §§ 191.17(a), 192.709(c) and 192.745(a), 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.

July 2, 2020

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Alan K. Mayberry  
Associate Administrator  
for Pipeline Safety

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Date Issued