



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials
Safety Administration**

840 Bear Tavern Road, Suite 300
West Trenton, NJ 08628
609.771.7800

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED CIVIL PENALTY**

VIA ELECTRONIC MAIL TO: matthew.lucey@pbfenergy.com

February 11, 2026

Mr. Mathew Lucey
President and Chief Executive Officer
MOEM Pipeline LLC
One Sylvan Way, 2nd Floor
Parsippany, New Jersey 07054

CPF 1-2026-005-NOPV

Dear Mr. Lucey:

From August 1, 2023 to April 19, 2024 of the on-site inspection, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected MOEM Pipeline LLC's¹ (MOEM) facilities, procedures, and records in Mississippi and Louisiana.

As a result of the inspection, it is alleged that you have 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. § 195.567 Which pipelines must have test leads and what must I do to install and maintain the leads?**
 - (a) ...**
 - (c) *Maintenance.* You must maintain the test lead wires in a condition that enables you to obtain electrical measurements to determine whether cathodic protection complies with § 195.571.**

MOEM failed to maintain the test lead wires in a condition that enables it to obtain electrical measurements to determine whether cathodic protection complies with section 195.571, as

¹ MOEM Pipeline LLC is a subsidiary of PBF Energy Inc.

required by section 195.567(c). Specifically, MOEM failed to repair and replace seven inoperable test leads on its MOEM pipeline between 2020 and 2023.

During the inspection, PHMSA reviewed MOEM's annual cathodic protection survey reports for the MOEM Pipeline from 2020 through 2023. The MOEM Pipeline reports documented unresolved issues with test lead functionality. PHMSA's review of the records indicated that seven (7) test lead locations along the pipeline route had "NO TL" (no test lead) documented on consecutive annual surveys between 2020 and 2023. In total there were 19 instances between 2020 and 2023 where test stations were not read in consecutive years and were documented as "NO TL" without repair or other documented remedial actions.

In addition, the cathodic protection survey reports documented repeated concerns with the limited number of test stations along the pipeline. The cathodic protection survey reports also provided recommendations for the implementation of close interval surveys (CIS) and/or In-Line Inspection (ILI) with a Cathodic Protection Current Mapping (CPCM) tool as an alternative to installing and maintaining additional test stations. MOEM did not provide any records indicating it had implemented the recommendations found in the annual survey reports during this timeframe. In correspondence after the inspection, MOEM indicated it was still in the development of a CPCM tool for the MOEM pipeline and expected it to be operational for their next scheduled ILI in 2026.

Therefore, MOEM failed to maintain the test lead wires in a condition that enables it to obtain electrical measurements to determine whether cathodic protection complies with section 195.571, as required by section 195.567(c).

Proposed Civil Penalty

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$272,926 per violation per day the violation persists, up to a maximum of \$2,729,245 for a related series of violations. For violation occurring on or after December 28, 2023 and before December 30, 2024, the maximum penalty may not exceed \$266,015 per violation per day the violation persists, up to a maximum of \$2,660,135 for a related series of violations. For violation occurring on or after January 6, 2023 and before December 28, 2023, the maximum penalty may not exceed \$257,664 per violation per day the violation persists, up to a maximum of \$2,576,627 for a related series of violations. For violation occurring on or after March 21, 2022 and before January 6, 2023, the maximum penalty may not exceed \$239,142 per violation per day the violation persists, up to a maximum of \$2,391,412 for a related series of violations. For violation occurring on or after May 3, 2021 and before March 21, 2022, the maximum penalty may not exceed \$225,134 per violation per day the violation persists, up to a maximum of \$2,251,334 for a related series of violations. For violation occurring on or after January 11, 2021 and before May 3, 2021, the maximum penalty may not exceed \$222,504 per violation per day the violation persists, up to a maximum of \$2,225,034 for a related series of violations. For violation occurring on or after July 31, 2019 and before January 11, 2021, the maximum penalty may not exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations.

We have reviewed the circumstances and supporting documentation involved for the above probable violation and recommend that you be preliminarily assessed a civil penalty of \$167,900 as follows:

<u>Item number</u>	<u>PENALTY</u>
Item 1	\$167,900

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Enforcement Proceedings*. Please refer to this document and note the response options. All material you submit in response to this enforcement action may be 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).

Following your receipt of this Notice, you have 30 days to respond as described in the enclosed *Response Options*. If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order. If you are responding to this Notice, we propose that you submit your correspondence to my office within 30 days from receipt of this Notice. The Region Director may extend the period for responding upon a written request timely submitted demonstrating good cause for an extension.

In your correspondence on this matter, please refer to **CPF 1-2026-005-NOPV** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Robert Burrough
Director, Eastern Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration

Enclosures: *Response Options for Pipeline Operators in Enforcement Proceedings*