

October 16, 2025

VIA ELECTRONIC MAIL TO: hugo.guerrero@summitmidstream.com

Hugo Guerrero
Senior Vice President – Operations
Summit Midstream Permian 2, LLC
910 Louisiana Street, Suite 4200
Houston, Texas 77002

Re: CPF No. 4-2024-020-NOPV

Enclosed please find the Final Order issued in the above-referenced case. It withdraws the allegations of violation in the Notice of Probable Violation issued on November 19, 2024. Accordingly, this case is now closed. Service of the Final Order by e-mail is effective upon the date of transmission and acknowledgement of receipt as provided under 49 CFR § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

Enclosure

cc: Bryan Lethcoe, Director, Southwest Region, Office of Pipeline Safety, PHMSA
Reagan T. Nguyen, Senior Director of Safety, Asset Integrity and Compliance, Summit
Midstream Corporation, rnguyen@summitmidstream.com

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	)	
	)	
Summit Midstream Permian 2, LLC,	)	CPF No. 4-2024-020-NOPV
a subsidiary of Summit Midstream Corp.,	)	
	)	
Respondent.	)	
	)	

FINAL ORDER

From March 2021 through February 2022, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of Summit Midstream Permian 2, LLC's (Summit or Respondent) Double E pipeline construction project spanning from Eddy County, New Mexico through Loving County, Ward County, and Reeves County, Texas.

As a result of the inspection, the Director, Southwest Region, OPS (Director), issued to Respondent, by letter dated November 19, 2024, a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Notice). In accordance with 49 CFR § 190.207, the Notice proposed finding that Summit had committed two violations of 49 CFR Part 192 and proposed assessing a civil penalty of \$66,900 for the alleged violations. The Notice also proposed ordering Respondent to take certain measures to correct the alleged violations.

Summit responded to the Notice by letter dated December 17, 2024 (Response). Summit contested both allegations, offered additional information in response to the Notice, and requested that the matter be closed. Respondent did not request a hearing and therefore has waived its right to one.

WITHDRAWAL OF ALLEGATIONS

The Notice alleged that Respondent violated 49 CFR Part 192, as follows:

Item 1: The Notice alleged that Respondent violated 49 CFR § 192.303, which states:

§ 192.303 Compliance with specifications or standards.

Each transmission line or main must be constructed in accordance with comprehensive written specifications or standards that are consistent with this part.

The Notice alleged that Respondent violated 49 CFR § 192.303 by failing to construct its Double E pipeline system in accordance with comprehensive written specifications or standards that are consistent with part 192. Specifically, the Notice alleged that Summit failed to follow its written specification, *Double E Pipeline Project Hydrostatic Test Plan*, revised June 10, 2021, (Hydrotest Plan) when conducting hydrostatic tests of pipeline sections 1, 2, 3, 4, 6, and 7. The Notice alleged that Summit's construction records demonstrated that the dead weight testers, pressure test recorders, and temperature recorders used for the hydrotests of those pipeline sections were not calibrated to the accuracy ranges specified in the Hydrotest Plan. It further alleged that when the PHMSA inspector discussed the matter with Summit during the inspection, Summit modified the Hydrotest Plan to be consistent with the calibrations used for the tests and to allow for a less accurate calibration range going forward.

In its Response, Summit agreed that the test records inspected were inconsistent with the Hydrotest Plan and that Summit updated the Hydrotest Plan as result of the inspection. Summit contended, however, that the calibration accuracy of the equipment used for the hydrotests cited by PHMSA did not provide a material difference in the pressure test results. Summit also noted that 49 CFR Part 192, Subpart J does not establish specific calibration requirements and that the testing conducted was consistent with the Subpart J requirements.

After considering all of the evidence and circumstances of this case, I hereby withdraw the alleged violation 49 CFR § 192.303 without prejudice, as a matter of administrative discretion. The decision to exercise enforcement discretion in this matter is specific to the facts of this specific enforcement matter and circumstances.

Item 2: The Notice alleged that Respondent violated 49 CFR § 192.303, which states:

§ 192.303 Compliance with specifications or standards.

Each transmission line or main must be constructed in accordance with comprehensive written specifications or standards that are consistent with this part.

The Notice alleged that Respondent violated 49 CFR § 192.303 by failing to construct its Double E pipeline system in accordance with comprehensive written specifications or standards that are consistent with part 192. Specifically, the Notice alleged that when conducting the hydrostatic pressure test of pipeline section 7, Summit failed to follow the Hydrotest Plan by using equipment that had serial numbers that differed from the serial numbers listed in the plan. Further, the Notice alleged that when the PHMSA inspector discussed the matter with Summit during the inspection, Summit revised the Hydrotest Plan to be consistent with the equipment that was used.

In its Response, Summit stated that it appreciated the apparent discrepancy in equipment.

Summit noted, however, the equipment that was used had been calibrated and the discrepancy provided no material safety impact since the testing was conducted in accordance with the Subpart J requirements.

After considering all of the evidence and circumstances of this case, I hereby withdraw the alleged violation 49 CFR § 192.303, without prejudice, as a matter of administrative discretion. The decision to exercise enforcement discretion in this matter is specific to the facts of this specific enforcement matter and circumstances.

ASSESSMENT OF PENALTY

Under 49 U.S.C. § 60122, Respondent is subject to an administrative civil penalty exceeding \$200,000 per violation for each day of the violation, with a maximum administrative civil penalty exceeding \$2,000,000 for any related series of violations.¹

In determining the amount of a civil penalty under 49 U.S.C. § 60122 and 49 CFR § 190.225, I must consider the following criteria: the nature, circumstances, and gravity of the violation, including adverse impact on the environment; the degree of Respondent's culpability; the history of Respondent's prior offenses; any effect that the penalty may have on its ability to continue doing business; the good faith of Respondent in attempting to comply with the pipeline safety regulations; and self-disclosure or actions to correct a violation prior to discovery by PHMSA. In addition, I may consider the economic benefit gained from the violation without any reduction because of subsequent damages, and such other matters as justice may require.

The Notice proposed a total civil penalty of \$66,900 for the violations cited above. Effective May 20, 2025, PHMSA revised its proposed civil penalty calculation policy to use the version of the Civil Penalty Worksheet in effect when the alleged violation occurred. The new policy reduces the total proposed civil penalty in this case to \$62,100.²

Item 1: The Notice proposed a civil penalty of \$44,600 for Respondent's violation of 49 CFR § 192.303, for failing to construct its Double E pipeline system in accordance with its comprehensive written specifications as required. The new policy for calculating a proposed civil penalty reduces the proposed civil penalty for this item to \$41,400. Since this alleged violation has been withdrawn, the proposed penalty is not assessed.

Item 2: The Notice proposed a civil penalty of \$22,300 for Respondent's violation of 49 CFR § 192.303, for failing to construct its Double E pipeline system in accordance with its comprehensive written specifications as required. The new policy for calculating a proposed civil penalty reduces the proposed civil penalty for this item to \$20,700. Since this alleged violation has been withdrawn, the proposed penalty is not assessed.

¹ These amounts are adjusted annually for inflation. See 49 CFR § 190.223 for adjusted amounts.

² The Director, Southwest Region, notified Summit of PHMSA's revised policy and the reduction of the proposed penalty via letter dated July 29, 2025.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 1 in the Notice for violation of 49 CFR § 192.303. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. As discussed above, Item 1 has been withdrawn. Therefore, the compliance terms proposed in the Notice for that Item are not included in this Order.

The terms and conditions of this Final Order are effective upon service in accordance with 49 CFR § 190.5.

Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

Date Issued