



U.S. Department
of Transportation
**Pipeline and Hazardous
Materials Safety
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

August 6, 2025

VIA ELECTRONIC MAIL TO: jack.fusco@cheniere.com

Jack Fusco
President and Chief Executive Officer
Cheniere Energy, Inc.
700 Milam Street, Suite 1900
Houston, Texas 77002

Re: CPF No. 4-2024-022-NOPV

Dear Mr. Fusco:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation and finds that Cheniere Energy, Inc. has completed the actions necessary to comply with the pipeline safety regulations. Therefore, 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 C.F.R. § 190.5. Thank you for your cooperation in this matter.

Sincerely,

LINDA GAIL DAUGHERTY
Digitally signed by LINDA
GAIL DAUGHERTY
Date: 2025.08.05
13:24:26 -04'00'

Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

Enclosure

cc: Bryan Lethcoe, Director, Southwest Region, Office of Pipeline Safety, PHMSA
Corey Grindal, EVP and Chief Operating Officer, cory.grindal@cheniere.com
Chris Williams, Vice President, Pipeline Operations, chris.williams@cheniere.com
Paul Falgout, Pipeline Regulatory Compliance Manager, paul.falgout@cheniere.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	)	
	)	
	)	
Cheniere Creole Trail Pipeline,	)	
a subsidiary of Cheniere Energy, Inc.,	)	CPF No. 4-2024-022-NOPV
	)	
Respondent.	)	
	)	

FINAL ORDER

From February 21 through July 21, 2023, 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 Cheniere Creole Trail Pipeline, LP's 42-inch pipeline that transports natural gas from Gillis, Louisiana, to the Sabine Pass liquefied natural gas facility in Louisiana. Cheniere Creole Trail Pipeline, LP, is a subsidiary of Cheniere Energy, Inc. (Cheniere or Respondent).

As a result of the inspection, the Director, Southwest Region, OPS (Director), issued to Respondent, by letter dated March 20, 2024, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Cheniere had committed one violation of 49 C.F.R. Part 192 and proposed ordering Respondent to take certain measures to correct the alleged violation. The Notice also included one additional warning item pursuant to 49 C.F.R. § 190.205, which warned Respondent to correct the probable violation or face possible future enforcement action.

After requesting and receiving an extension of time to respond, Cheniere Energy, Inc. responded to the Notice on behalf of Cheniere Creole Trail Pipeline by letter dated September 17, 2024 (Response). The company did not contest the allegation of violation but provided information concerning the corrective actions it had taken. Respondent did not request a hearing and therefore has waived its right to one.

FINDING OF VIOLATION

In its Response, Cheniere did not contest the allegation in the Notice that it violated 49 C.F.R. Part 192, as follows:

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 192.179(a)(4), which states:

§ 192.179 Transmission line valves.

(a) Each transmission line, other than offshore segments, must have sectionalizing block valves spaced as follows, unless in a particular case the Administrator finds that alternative spacing would provide an equivalent level of safety:

(1)

(4) Each point on the pipeline in a Class 1 location must be within 10 miles (16 kilometers) of a valve.

The Notice alleged that Respondent violated 49 C.F.R. § 192.179(a)(4) by failing to have sectionalizing block valves spaced within 10 miles of a block valve in a Class 1 location. Specifically, the Notice alleged that Cheniere installed a segment of 42-inch natural gas pipeline in a Class 1 location with a separation of 23.64 miles between sectionalizing block valves across Calcasieu Lake.

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 192.179(a)(4) by failing to have sectionalizing block valves spaced within 10 miles of a block valve in a Class 1 location.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 1 in the Notice for violation of 49 C.F.R. § 192.179(a)(4). 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. The Director indicates that Respondent has taken the following alternative action.

With respect to the violation of § 192.179(a)(4) (Item 1), Respondent submitted a Petition for Equivalency Finding for alternative valve spacing beneath Calcasieu Lake on July 18, 2024, pursuant to 49 C.F.R §§ 190.9 and 192.179(a). On November 26, 2024, PHMSA issued to Cheniere an approval of its Petition for Equivalency Finding. Accordingly, I find that compliance has been achieved with respect to this violation. Therefore, the compliance terms proposed in the Notice are not included in this Order.

WARNING ITEM

With respect to Item 2 the Notice alleged a probable violation of Part 192, but identified it as a warning item pursuant to § 190.205. The warning was for:

49 C.F.R. § 192.469 **(Item 2)** — Respondent's alleged failure to maintain sufficient test stations or contact points on its pipeline for electrical measurement to determine the adequacy of cathodic protection.

If OPS finds a violation of this provision in a subsequent inspection, Respondent may be subject to future enforcement action.

Under 49 C.F.R. § 190.243, Respondent may submit a Petition for Reconsideration of this Final Order to the Associate Administrator, Office of Pipeline Safety, PHMSA, 1200 New Jersey Avenue, SE, East Building, 2nd Floor, Washington, DC 20590, with a copy sent to the Office of Chief Counsel, PHMSA, at the same address. The written petition must be received no later than 20 days after receipt of the Final Order by Respondent. Any petition submitted must contain a statement of the issue(s) and meet all other requirements of 49 C.F.R. § 190.243. The terms of the order, including corrective action, remain in effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.

LINDA GAIL
DAUGHERTY

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GAIL DAUGHERTY
Date: 2025.08.05
13:25:49 -04'00'

August 6, 2025

Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

Date Issued