

For Immediate Release - August 24, 2021

Ohio River Valley Groups React to Federal Regulators' Warnings Over Shell's Falcon Pipeline

Federal pipeline regulators have issued a new warning letter regarding Shell Pipeline Company's Falcon Ethane Pipeline System. The warning letter comes as The U.S. Department of Energy prepares for a [virtual public meeting](#) today, August 24, 2021, on the impacts of petrochemical development to front line communities, particularly development related to production, consumption, export, and use of ethane.

The Pipeline Hazardous Materials and Safety Administration (PHMSA), the federal agency tasked with ensuring the Falcon Pipeline's safety, sent [the warning letter](#) on July 16, 2021, regarding probable violations that occurred a year ago. During an inspection in Potter Township, Pennsylvania on August 19, 2020, PHMSA inspectors observed two instances "where coated pipe was supported on skids that were not padded." This is a violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations.

The letter states: "Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$225,134 per violation per day the violation persists, up to a maximum of \$2,251,334 for a related series of violations." However, the agency "decided not to conduct additional enforcement action or penalty assessment proceedings." PHMSA then advises Shell to correct the issue or face additional enforcement action.

This warning letter adds to previous concerns surrounding the pipeline's coating, which arose from a [2019 letter](#) from the Secretary of the Pennsylvania Department of Environmental Protection. [A recent E&E News](#) article revealed new details about the whistleblowers that raised these concerns. The whistleblowers, who were pipeline inspectors, stated they were told "not to put anything negative in their reports," and that a representative of the coating manufacturer called the pipeline's protective layer "unacceptable." The whistleblowers filed a complaint with the Occupational Safety and Health Administration (OSHA), which was dismissed and is being appealed.

Hoping to bring more transparency to Falcon investigations, FracTracker Alliance (or POPCO) published its correspondence with PHMSA, available [here](#). (blog post)

In response to the People Over Petro Coalition's petition calling on PHMSA to hold a town hall meeting to respond to residents' questions and concerns about this project, [PHMSA's Director of Field Operations, William Rush, responded stating that](#), "PHMSA has not hosted town hall meetings on individual pipelines or pipeline systems."



FracTracker Alliance sent a [list of concerns](#) about the Falcon Pipeline and asked that PHMSA respond publicly. PHMSA has not yet responded to the letter.

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Contact

Shannon Smith, Manager of Communications and Development, FracTracker Alliance, (412) 212-7436, smith@fractracker.org