



Civil Penalty Summary

This summary provides a general overview to assist the public in understanding civil penalty calculations. Following an inspection or investigation of a pipeline facility that reveals a probable violation, the Office of Pipeline Safety prepares a Violation Report to document the violation. For any violation that warrants a civil penalty, data from the completed Violation Report is used to calculate risk-based civil penalties considering the statutory assessment factors in 49 U.S.C. § 60122 and 49 C.F.R. § 190.225.

The assessment factors are listed below in the left side column of the table. The middle column explains the range of potential conduct that was observed by PHMSA in connection with the violation, generally from least to most severe. A Violation Report must make a selection within this range for each assessment factor. The right side column provides a range for the civil penalty that may be assessed under each assessment factor.


A civil penalty for a single violation is arrived at by combining the amounts assigned under each assessment factor. Application of the assessment factors in an individual case will depend on the facts specific to that case.

| Assessment Consideration | Range of Conduct | Civil Penalty Range |
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| Nature | <ul style="list-style-type: none"> - Records: <ul style="list-style-type: none"> ▪ Examples: Missing, inaccurate, or incomplete records - Activities: <ul style="list-style-type: none"> ▪ Examples: Performance or conduct of activities such as inspections, tests, maintenance, meetings, notifications, reports, emergency response, not preparing procedures, or not following procedures - Equipment/Facilities: <ul style="list-style-type: none"> ▪ Examples: Equipment not installed, missing, defective, inoperative, not properly sized, or not compatible with transported commodity | \$1,728 \$8,640 |
| Circumstances | <ul style="list-style-type: none"> - Operator self-reported the violation to PHMSA (PHMSA includes State Partners) before it was discovered by PHMSA - PHMSA discovered the violation - Public reported the violation to PHMSA (including State Partners) or public inquiry lead to investigation, verified by PHMSA | Variable credit \$13,824 |

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| <p>Gravity</p> | <ul style="list-style-type: none"> - Records violation - Pipeline safety or integrity was minimally affected - Pipeline safety or integrity was compromised in areas that are not in an HCA or, for Hazardous Liquids, also if not in an HCA “could affect” segment - Pipeline safety or integrity was significantly compromised in areas that are not in an HCA or, for Hazardous Liquids, also if not in an HCA “could affect” segment. - Pipeline safety or integrity was compromised in an HCA (High Consequence Area¹) or, for Hazardous Liquids, also if in an HCA “could affect” segment - Pipeline safety or integrity was significantly compromised in an HCA or, for Hazardous Liquids, also if in an HCA "could affect" segment - Probable violation increased the severity of an accident/incident - Probable violation was a causal factor for an accident /incident - The number of instances of a violation incrementally increases the penalty <p>Accident/Incident Consequences Factor Multipliers for the base penalty applied to all assessment considerations:</p> <ul style="list-style-type: none"> - Reportable accident or incident - Unintentionally released Gas - Hazardous Liquid releases - Hospitalization injuries - Fatalities | <p>\$1,728</p>  <p>Unlimited</p> |
| <p>Culpability</p> | <p>Based on operator actions before the violation occurred:</p> <ul style="list-style-type: none"> - After the operator found the non-compliance, the operator took documented action to address the cause of the non-compliance, and corrected the non-compliance before PHMSA learned of the violation. Does not apply for operator Post-accident actions. - After the operator found the non-compliance, the operator took documented action to address the cause of the non-compliance, and was in the process of correcting the non-compliance before PHMSA learned of the violation. Does not apply for operator | <p>-\$25,920</p>  |

¹ See 49 CFR Parts 192 and 195 for definition of a high consequence area.

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| Culpability (cont'd) | <p>Post-accident actions.</p> <ul style="list-style-type: none"> - The operator took significant steps to comply with a requirement but failed to achieve compliance for reasons such as unforeseeable events/conditions that were partly or wholly outside its control. - The operator took significant steps to comply with a requirement but did not achieve compliance. - The operator failed to take appropriate action to comply with a requirement that was clearly applicable. - The operator made a conscious decision not to comply with a requirement that was clearly applicable. - The operator took egregious action (such as manipulation of records or reconfiguration of equipment) that evidenced an effort to evade compliance or conceal non-compliance. | <p style="text-align: center;">↓</p> <p style="text-align: center;">\$2,056,320</p> |
| History of Prior Offenses | <ul style="list-style-type: none"> - Prior findings of violation include a civil penalty or compliance order in the five years that precede the date of the Notice. The prior findings of violation may be the same, similar, or different violations. | <p style="text-align: center;">\$0</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">\$17,280</p> |
| Good Faith | <p>Based on operator actions before the violation occurred:</p> <ul style="list-style-type: none"> - The operator's interpretation of the requirement was reasonable, and it had a credible justification for its actions or lack of actions. - The operator did not make a reasonable interpretation of the requirement or did not have a credible justification for its actions or lack of actions. | <p style="text-align: center;">-\$17,280</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">\$0</p> |
| Other Matters as Justice May Require (Any and all appropriate factors will be applied to the violation) | <p>Examples of individual Matters :</p> <ul style="list-style-type: none"> - Operator's written procedures exceeded a regulatory requirement and the non-compliance was against the requirements of the procedure that exceeded the regulation. - Violation of Section 60129, Protection of employees providing pipeline safety information - Reporting- Not reporting a known death with a telephonic or accident/incident report; Not reporting a known reportable injury in water with a telephonic or accident/incident report; Telephonic or accident/incident report not submitted before PHMSA discovers it was not submitted. | <p style="text-align: center;">-\$17,280</p> <p style="text-align: center;">↓</p> |

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| Other Matters (cont'd) | <ul style="list-style-type: none"> - Additional penalty for LNG violation per (190.223(c)) - Failure to comply with any PHMSA order including CAO or SO - Repeat Violation - Repeat of a Repeat Violation |  \$2,056,320 |
| Economic Benefit | <ul style="list-style-type: none"> - Economic Benefit gained from not complying with the regulation. | Variable addition |
| Ability to Pay and/or Ability to Continue in Business | <ul style="list-style-type: none"> - Determination based on additional information that is presented later by operator (Ability to pay is not valid for violations occurring after 1/2/2012). | Variable credit |

The total civil penalty per violation is calculated based on these assessment considerations and adjusted for the applicable daily and series limit. If a calculated penalty exceeds the maximum amount permitted by statute, the penalty will be reduced by the amount exceeding the cap. An administrative civil penalty under 49 U.S.C. § 60122(a)(1) is capped at \$200,000 per day for violations occurring after January 3, 2012. The maximum civil penalty for a related series of violations is \$2,000,000 for violations occurring after January 3, 2012.

For an administrative civil penalty that occurs on or after August 1, 2016, the maximum civil penalty limit was increased to \$205,638 per day and \$2,056,380 for a related series of violations pursuant to the requirements of Section 701 of the “Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015” (Pub. L. 114–72), which amended the “Federal Civil Penalties Inflation Adjustment Act of 1990” (Pub. L. 101–410) (Inflation Adjustment Act).