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PRESS RELEASE

**Energy Transfer Official and
Security Employees Charged With Bribery and
Conspiracy Regarding Mariner East Pipeline**

The Chester County District Attorney's Office announced the filing of criminal charges against employees of Energy Transfer and contracted security firms for bribery, conspiracy, and related offenses regarding the Mariner East Pipeline. This is the second set of charges filed by the District Attorney's Office related to Mariner East.

Chester County District Attorney Tom Hogan stated, "This is a pretty simple case. State Constables sold their badges and official authority. Energy Transfer bought those badges and authority, then used them as a weapon to intimidate citizens. And the defendants attempted to conceal their activity through a maze of companies and payments. Meanwhile, new sinkholes are popping up along the Mariner East Pipeline. And still, the governor remains asleep at the wheel."

The charged defendants are: Frank Recknagel, Security Manager for Energy Transfer; Nikolas McKinnon, Senior Security Adviser for TigerSwan LLC; Michael Boffo, Site Security Supervisor for TigerSwan LLC; James Murphy, operator of Raven Knights LLC; and Richard Lester, registered owner of Raven Knights LLC.

The facts alleged in the criminal complaints are as follows:¹

Energy Transfer and its subsidiaries are constructing the Mariner East Pipeline across Pennsylvania. The purpose of the pipeline is to ship volatile natural gas liquids from Western Pennsylvania to Delaware County, for subsequent shipment to Europe for the production of items such as plastics.

Energy Transfer decided they needed security for the pipeline. However, rather than simply hiring a private security firm, Energy Transfer decided to recruit and hire armed Pennsylvania Constables to act as a private security force for the pipeline. Pennsylvania Constables are elected officials, who are permitted to carry out enumerated official duties, and are governed by the Pennsylvania Ethics Act. Pennsylvania State Constables are not permitted to use their official position or badges for private security jobs.

The investigation by the District Attorney's Office revealed that multiple State Constables were appearing at pipeline sites as security personnel, wearing Constable attire, armed, and displaying Constable badges. Many of the Constables were well outside of their home county jurisdictions. One Constable even confronted a Chester County Detective. Constables were arrested and charged with official oppression, violation of the Ethics Act, and related offenses.

As noted by the District Attorney's Office when the Constables were arrested, the next issue was to determine who had hired and tasked the Constables with this illegal activity. The District Attorney Office's further investigation revealed that Energy Transfer's security director Frank Recknagel orchestrated the scheme to misuse the Constables. Recknagel affirmatively decided that Energy Transfer wanted to use State Constables for security. Recknagel stated that he wanted "licensed armed un[i]formed PA States Constables" to perform security, and that hiring on-duty law enforcement officials was Energy Transfer's "unwritten policy."

Recknagel arranged to "off-shore" the actual hiring and payment of the State Constables, attempting to hide this illegal activity. Recknagel used two security firms, TigerSwan LLC and Raven Knights LLC, to coordinate the operations of the State Constables as security. James Murphy and Richard Lester, two former Pennsylvania State Police Troopers, ran the operations for Raven Knights. Murphy is not permitted to hold a private detective license because of prior

¹ A criminal defendant is presumed innocent until proven guilty in court.

misconduct. Nikolas McKinnon and Michael Boffo were the operators for TigerSwan. TigerSwan has previously been involved in controversial security activities regarding the Dakota Access Pipeline, including a lawsuit over unlicensed security operations.

Recknagel hid payments to the State Constables. Recknagel, acting for Energy Transfer, arranged for uninvolved subcontractors to send payments to the security firms for eventual payment of the Constables. In other words, Recknagel used a shell game to hide payments to the Constables. For instance, Energy Transfer sent payments to a subcontractor who was completely uninvolved in pipeline security. The subcontractor sent payments to Raven Knights. Raven Knights then paid the Constables, hiding the connection between Energy Transfer and the Constables. To make the transactions even more difficult to track, the Constables failed to report the payments on their Pennsylvania Ethics Statements, which is a legal requirement. Every step of the payments was hidden and cloaked.

Energy Transfer could have simply hired a reputable private security firm and paid the security guards directly. Instead, Recknagel and Energy Transfer wanted the power of the badge to enforce their corporate will and engaged in illegal activity to make it happen, then hid the payments in a byzantine process to avoid detection of their role. In fact, when the Constables were arrested, an Energy Transfer spokesperson actually made a public statement that the Constables were not their employees, shifting all responsibility to Raven Knights.

As part of the illegal buy-a-badge scheme, these hidden payments to State Constables to misuse their badge and authority constitute bribery, dealing in unlawful proceeds, conspiracy, and related offenses.

District Attorney Hogan added, “These types of investigations are complex and time consuming. We are working our way up a chain of corruption, which has both corporate and political ramifications. Other law enforcement entities also are investigating. It will be interesting to see where the evidence leads.”

All of the defendants were arrested and processed today. They were placed on unsecured bail and will have a preliminary hearing in the near future.

Anybody with any further information should contact Chester County
Detective Ben Martin at 610-344-6866.

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Approved for release:

Thomas P. Hogan