

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590**

In the Matter of)
)
)
Panhandle Eastern Pipe Line Company, LP,) **CPF No. 3-2014-1008S**
)
a subsidiary of Energy Transfer Partners, LP,)
)
Respondent)

CONSENT AGREEMENT

On December 24, 2014, the Regional Director for the Central Region (the Region or Region 3) of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS or the Agency), issued a Notice of Proposed Safety Order (Notice) to Panhandle Eastern Pipe Line Company, LP. (PEPL or Respondent), a subsidiary of Energy Transfer Partners, L.P. (ETP). The Notice alleged that conditions exist on PEPL’s pipeline system that may pose a pipeline integrity risk to public safety, property, or the environment. The Notice also proposed that PEPL take certain corrective measures to remedy the alleged conditions and ensure that the public, property, and the environment are protected from the potential risk.

PEPL responded to the Notice by timely submitting an “Invocation of Information Consultation and Request for Hearing,” “Statement of Issues,” and “Request for Hearing” dated January 23, 2015 (Request for Hearing). An informal consultation was held on March 18, 2015.

During the informal consultation, the PHMSA and PEPL agreed that settlement of this proceeding will avoid further administrative proceedings or litigation of this Notice and that entry into this Consent Agreement is the most appropriate means of resolving issues raised in the Notice and in the public interest. Therefore, pursuant to 49 C.F.R. Part 190, without adjudication of any issue of fact or law, and upon consent and agreement of Respondent and the PHMSA (the Parties), the Parties agree as follows:

I. General Provisions

1. Respondent acknowledges that as the operator of PEPL, Respondent and its pipeline system are subject to the jurisdiction of the Federal pipeline safety laws, 49 U.S.C. § 60101, *et seq.*, and the regulations and administrative orders issued thereunder. For purposes of this Consent Agreement, Respondent acknowledges that it received proper notice of the PHMSA's action in this proceeding and that the Notice states claims upon which relief may be granted pursuant to 49 U.S.C. 60101, *et seq.*, and the regulations and orders issued thereunder.

2. Respondent agrees, for purposes of this Consent Agreement, to address the integrity risks identified in the Notice by completing the actions specified in Section II of this agreement (Corrective Measures) and to abide by the terms of this Consent Agreement. These actions, including any work plans and schedules, shall automatically be incorporated into this Consent Agreement. This Consent Agreement does not constitute a finding of violation of any Federal law or regulation and may not be used in any civil or administrative proceeding of any kind as evidence or proof of any fact, fault or liability, or as evidence of the violation of any law, rule, regulation or requirement, except in a proceeding to enforce the provisions of this Consent Agreement.

3. After Respondent returns this signed agreement, the PHMSA's representative will present it to the Associate Administrator for Pipeline Safety recommending that the Associate Administrator adopt the terms of this agreement by issuing an administrative order (Consent Order) incorporating the terms of this Consent Agreement. The terms of this agreement constitute an offer of settlement until accepted by the Associate Administrator. Once accepted, the Associate Administrator will issue a Consent Order incorporating the terms of the agreement.

4. Respondent consents to the issuance of the Consent Order, and hereby waives any further procedural requirements with respect to its issuance. Respondent waives all rights to contest the adequacy of notice, or the validity of the Consent Order or this Consent Agreement, including all rights to administrative or judicial hearings or appeals. Upon issuance of a Consent Order for this matter, Respondent's Request for Hearing will be deemed withdrawn.

5. This Consent Agreement shall apply to and be binding upon the PHMSA, and upon Respondent, its officers, directors, and employees, and its successors, assigns, or other entities or persons otherwise bound by law. Respondent agrees to provide a copy of this Consent Agreement and any incorporated work plans and schedules to all of Respondent's officers, employees, and agents whose duties might reasonably include compliance with this Consent Agreement.

6. For all transfers of ownership or operating responsibility of Respondent's PEPL pipeline, Respondent shall provide a copy of this Consent Agreement to the prospective transferee at least 30 days prior to such transfer and simultaneously provide written notice of the prospective transfer to the PHMSA Region Director (Director) who issued the Notice.

7. This Consent Agreement constitutes the final, complete and exclusive agreement and understanding between the Parties with respect to the settlement embodied in this Consent Agreement, and resolves any claims that have been or could have been alleged regarding the May 5, 2009 Line 200 incident near Rockville, Indiana (including PHMSA CPF 3-2009-1009H), items found during the Kansas and Missouri inspection conducted from June 18, 2012 to July 2012 involving 49 CFR Part 192, Subpart I – Requirements for Corrosion Control, the November 28, 2013 Line 400 incident near Houstonia, Missouri and the October 13, 2014 Line 100 incident near Centerview, Missouri. The Parties acknowledge that there are no representations, agreements or understandings relating to the settlement other than those expressly contained in this Consent Agreement, except that the terms of this Consent Agreement may be construed by

reference to the Notice. CPF 3-2009-1009H will be closed once PEPL submits its Final Report to the Director.

8. Nothing in this Consent Agreement affects or relieves Respondent of its responsibility to comply with all applicable requirements of the Federal pipeline safety laws, 49 U.S.C. § 60101, *et seq.*, and the regulations and orders issued thereunder. Nothing in this Consent Agreement alters the PHMSA's right of access, entry, inspection, and information gathering or the PHMSA's authority to bring enforcement actions against Respondent pursuant to the Federal pipeline safety laws, the regulations and orders issued thereunder, or any other provision of Federal or State law.

9. This Consent Agreement does not waive or modify any Federal, State, or local laws or regulations that are applicable to Respondent's pipeline systems. This Consent Agreement is not a permit, or a modification of any permit, under any Federal, State, or local laws or regulations. Respondent remains responsible for achieving and maintaining compliance with all applicable Federal, State, and local laws, regulations and permits.

10. This Consent Agreement does not create rights in, or grant any cause of action to, any third party not party to this Consent Agreement. The U.S. Department of Transportation is not liable for any injuries or damages to persons or property arising from acts or omissions of Respondent or its officers, employees, or agents carrying out the work required by this Consent Agreement. Respondent agrees to hold harmless the U.S. Department of Transportation, its officers, employees, agents, and representatives from any and all causes of action arising from any acts or omissions of Respondent or its contractors in carrying out any work required by this Consent Agreement.

II. Corrective Measures

11. Upon issuance of the Consent Order, Respondent agrees to perform the Corrective Measures set forth below.

12. Regarding the 100 Line failure occurring on October 13, 2014, PEPL shall complete the following:

- (A) Within 90 days of the Effective Date of this Order, PEPL shall complete a root cause failure analysis (RCFA) for the 100 Line failure occurring on October 13, 2014, and submit a final report for this RCFA to the Director. The RCFA shall include the results of the mechanical coupling testing being conducted at Stress Engineering and prior coupling failures. Recommended actions to address the contributing factors shall be included in the report as long as it is not inconsistent with 49 CFR Part 192 or industry best practices and discussed with the Director to develop an appropriate implementation schedule.
- (B) Within 45 days of the Effective Date of this Order, complete mechanical and metallurgical testing and failure analysis of the failed pipe, including an analysis of soil samples and any foreign materials. Ensure that the

testing laboratory provides any report, whether draft or final, in its entirety to the Director at the same time it is presented to PEPL.

- (C) The pipeline segment from mainline valve (MLV) 105 to MLV 106 gate is currently limited to operation at a pressure not to exceed 75 psig. In the event that PEPL requires operation of that segment above 75 psig, PEPL will provide to the PHMSA a plan for the Director's approval prior to resuming operations at higher pressures. As appropriate based on the final identified RCFA contributing factors, the plan shall include the following:
 - i. Instrumented leak survey between MLVs 105 and 106 to include associated farm taps or temporary school line replacements. Any leaks found must be remediated before continuing on with the restart plan.
 - ii. Specify a daylight pressure increase and include advance notification with the local emergency response officials.
 - iii. Reinforcing or removing 100 Line couplings located on the property associated with the failure or the adjacent road crossing and exhibiting characteristics or under influences identified by the RCFA.

- (D) Within 1 year after the Effective Date of this Order, PEPL will develop a Coupling Remedial Work Plan (Coupling RWP) which is intended to address integrity issues on pipeline segments exhibiting the similar properties, characteristics or outside force influences as those determined to be causal to the 100 line failure or other coupling failures. The Coupling RWP shall be submitted to the Director for approval. Elements of the Coupling RWP will include:
 - i. Reinforce or remove 200 Line couplings on the property or the adjacent road crossing associated with the failure that exhibit characteristics or are under influences identified by the RCFA. Completion dates for this activity will be proposed in the Coupling RWP and approved by the PHMSA.
 - ii. Reinforce or remove couplings on the 100 and 200 Lines located in an HCA or within the calculated potential impact radius (PIR) that contains one or more structures intended for human occupancy that exhibit characteristics or are under influences identified by the RCFA. Where warranted, the reinforcement or removal of the couplings located in these areas shall be completed within no more than 5 years from the Effective Date of this Order.
 - iii. Conduct aerial instrumented (LIDAR) survey annually on lines 100 and 200 until items i. and ii. are complete and provide a

priority based response/repair schedule for all leaks utilizing the following categories:

- a. Leaks identified as an imminent public safety threat as defined through joint agreement by the PHMSA and PEPL;
 - b. Leak indications located in an high consequence area (HCA) or Class 3 area;
 - c. Leak indications located within a PIR that contains a structure intended for human occupancy or a location intended of an outdoor area of assembly;
 - d. Leak indications located within the right-of-way of an active street, highway, road or railroad;
 - e. Leak indications located in an area where the pipeline operates above 72% SMYS.
- iv. Utilize information gained from the above activities to further enhance or refine criteria or characteristics that lead to a response. Data to be collected and integrated will include ILI data and as-found condition of and environmental conditions (depth of cover, soil stability, compaction, buoyancy factors, coupling engagement, leakage, etc.) associated with couplings targeted for reinforcement and couplings discovered to be leaking through surveys or patrols.
- v. Consideration of operating pressure reductions if practical to mitigate the occurrence or consequences of coupling failures for the 100 and 200 lines.

13. Regarding the Houstonia 400 Line failure occurring on November 28, 2013, PEPL shall complete the following:

- (A) Within 45 days after the Effective Date of this Order, PEPL shall work with the PHMSA to finalize the Houstonia 400 line RCFA reports (internal and Blacksmith Group) and have been previously submitted to the PHMSA Central Region. Once finalized, PEPL shall provide for the Director's review and approval an implementation plan and schedule addressing each finding and recommendation identified in the RCFA reports. Any finding or recommendation that would exceed one year for implementation will be identified and reviewed for concurrence by the Director. Integrate the findings of the RCFA into other data integration efforts and work plan efforts.
- (B) Within 90 days after the Effective Date of this Order, PEPL will develop a Corrosion Remedial Work Plan (Corrosion RWP) which is intended to address integrity issues on pipeline segments exhibiting similar properties,

characteristics or influences as those determined to be causal to the Houstonia 400 line failure. The Corrosion RWP shall be submitted to the Director for approval. Elements of the Corrosion RWP will include:

- i. Integration of causal factors identified in the RCFA and applied to similar pipeline segments;
 - ii. Inline inspection (ILI) tool re-grade to improve accuracy as necessary;
 - iii. Engineering assessment of low potential areas coincident with identified external corrosion metal loss;
 - iv. Engineering assessment of similar external corrosion morphology;
 - v. Identify required anomaly response, respond to and repair/replace as necessary;
 - vi. Identify, prioritize and mitigate cathodic protection (CP) system deficiencies;
 - vii. Re-run ILI technology if necessary and respond accordingly;
- (C) Within 1 year of the Effective Date of this Order, conduct an aerial instrumented (LIDAR) survey on lines 300 and 400 and provide a priority based response/repair schedule for all leaks utilizing the following categories:
- i. Leaks identified as an imminent public safety threat as defined through joint agreement by the PHMSA and PEPL;
 - ii. Leak indications located in an high consequence area (HCA) or Class 3 area;
 - iii. Leak indications located within a PIR that contains a structure intended for human occupancy or a location intended of an outdoor area of assembly;
 - iv. Leak indications located within the right-of-way of an active street, highway, road or railroad;
 - v. Leak indications located in an area where the pipeline operates above 72% SMYS.

14. Develop a Process Improvement Remedial Work Plan (Process Improvement RWP) to systemically improve the integrity management and corrosion control programs for the PEPL system. Within 1 year of the Effective Date of this Order, PEPL must submit, for review and approval to the PHMSA, a comprehensive written Process Improvement RWP, including

timelines for specific actions of development, process review and implementation. Respondent must address deficiencies, threats or risks, and necessary improvements identified in the RCFAs and/or as required under Part 192. As necessary, this may include process improvements, integrity assessments, repair and/or replacement of pipeline assets and other measures. The plan will be designed to improve four strategic areas of the PEPL system performance and must be sufficiently detailed with specific tasks, milestones, completion dates and reporting summaries. The Process Improvement RWP shall be submitted to the Director for approval:

(A) Consultation with Independent Third-Party

- i. Respondent will engage a third party consultant (Consultant) acceptable to the PHMSA. PEPL will submit vendor names/credentials for consideration by the PHMSA and the PHMSA will approve the list from which Respondent will select one or more consultants to perform this service. As part of its review, PHMSA may request additional information and/or assurances to support the independent nature of the Consultant(s)'s work product. The selected Consultant(s) will be utilized to supplement PEPL's in-house functional/technical personnel in a review of PEPL current and proposed processes/procedures/protocols to identify improvements where applicable in each of the topical areas of the Process Improvement RWP. To this end, specific expertise may be brought to bear within these topical areas and will require an individual or individuals with appropriate expertise to provide the consultancy needed.
- ii. In general, the scope of the engagement will involve the Consultant(s) providing these services/input into the development process for the Process Improvement RWP including:
 - a. Review relevant information/procedures/programs related to the topical area including metallurgical and RCFA reports for historical and relevant incidents (external corrosion and mechanical couplings), integrity management program documents and procedures, safety program elements and management systems.
 - b. Conduct interviews with in-house functional/technical personnel as needed to gain understanding of current state, improved future state and proposed path to close existing gaps.
 - c. Review current actions and procedural changes being contemplated or initiated and compare to the knowledge base of the Consultant and recommend incremental improvements as warranted.

- d. Prepare status reports relative to findings, conclusions, recommendations and incorporation of agreed upon improvements into the Process Improvement RWP and resultant deliverables. The Consultant must provide all reports to both PEPL and the PHMSA concurrently.
 - e. PEPL will provide the PHMSA with written proposed resolutions for all of the Consultant's recommendations.
 - iii. The Consultant(s) will report directly to an Energy Transfer/PEPL leadership team (Vice-President or above). The Consultant's engagement with PEPL will conclude upon approval of the Process Improvement RWP by the PHMSA.
- (B) The four strategic areas with specific targeted improvement opportunities are detailed as follows:
 - i. Improve Corrosion Control and Prevention Program
 - a. Implement the polarized potential (instant off) criteria on the PEPL system and address identified low potential areas in accordance with PEPL standard operating procedures (D.40);
 - b. Modify the procedures regarding CP ground bed analysis and replacement to include provisions for testing the adequacy of negative connections in order to provide and monitor levels of CP to all parallel pipelines;
 - c. Improve the methodology, tracking and completion of prioritized activities related to the remediation of CP deficiencies;
 - d. Develop a management system to track and report on deficiencies discovered and action items completed;
 - e. Modify procedures to require mitigation of CP deficiencies in a specified time frame that is within the regulatory framework of the inspection frequency;
 - f. Add additional CP current density to account for/mitigate the potential Microbiologically Induced Corrosion (MIC) effect on corrosion growth rates where applicable;
 - g. Provide training to field technicians on proper analysis of current distribution, rectifier placement, and negative cable connections;

- h. Require corrosion technicians and corrosion specialists to complete comprehensive CP data analysis;
 - i. Evaluate the current status of the Company's corrosion control procedures, especially those relating to close interval survey (CIS) execution and response, data integration of ILI and CIS and training to identify if any deficiencies need to be addressed;
 - j. Review and revision as appropriate, standard operating procedures (SOPs) guiding the pipe inspection process to look and/or test for environmental factors including MIC and consideration of it as a contributor to corrosion growth rates;
 - k. Evaluate the corrosion growth rate process to determine what if any enhancements can be made;
 - l. Review and improve management practices related to the setting of priorities for corrosion technicians and the management and resource support of their workload;
 - m. Review and improve processes and criteria associated with the testing of electrical isolation for cased crossings;
 - n. Review and improve processes to identify electrical high resistance couplings and remediate (bond across coupling) such couplings to the extent remediation is required to restore adequate cathodic protection to the pipeline;
 - o. Review and identify that processes and procedures clearly define the term "critical bond." Provide monitoring criteria for all bonds;
 - p. Ensure processes and procedures associated with CIS identify maximum potentials and ensure that adequate follow-up associated with potential interference is implemented.
- ii. Improve Integrity Management Processes for External Corrosion and Mechanical Coupling Threats
- a. Enhance the ILI data validation process with the appropriate use and analysis of pseudo digs and excavation of anomalies and incorporate CP performance data and ILI run to run calculations in the validation process. A process to define appropriate pseudo dig use will be developed;

- b. Enhance procedures to verify ILI data is aligned properly and calculations are accurate;
 - c. Enhance the process and procedures for data integration; overlay CIS and ILI data with GIS and topographical mapping features;
 - d. Modify and implement the ILI tool specification to require ILI service providers to report the amount of manual grading, the associated parameters, and any changes as a result of the manual analysis for each ILI run;
 - e. Expand the annual ILI pre-bid meeting beyond the current specification review of changes to include verification of key integrity concepts such as interaction and data validation and ILI vendor analyst staffing;
 - f. Develop and employ a quality control (QC) process to further improve the accuracy of field measurements of corrosion anomalies. Utilize a benchmark measurement system with a high degree of accuracy to which field measurements can be compared;
 - g. Develop and employ an ILI specification, depth of cover, soil stability and data integration process to enable ongoing integrity assessments for mechanical couplings;
 - h. Develop a grading and prioritization scheme to assess and appropriately schedule responses to mechanical coupling threats outside of HCAs and absent structures and outside areas within the PIR of a line containing a mechanical coupling;
 - i. Review the internal processes for pressure reductions and/or submission of a Safety Related Condition Report.
- iii. Enhanced Safety and Integrity Management Culture through Reporting, Learning and Training
- a. Expand/enhance the existing ETP Safety Culture program and processes with emphasis on pipeline integrity and corrosion control. Apply the existing processes within the Impact Safety Management System to identify, report and manage unwanted events. Utilize the existing system that encourages continuous improvement and a learning culture. Develop specific elements and process requirements related to pipeline integrity including:

1. Reporting criteria for additional unwanted events and issues;
 2. Action item and learning process workflow;
 3. Management of change process workflow;
 4. Development of Key Performance Indicators (KPIs) indicative of corrosion control and pipeline integrity process performance.
- b. In consideration of process and procedure improvements resulting from the recent ETP incident history and RCFAs, proactively manage the subject improvements and assure a formal MOC process occurs. Develop and provide required training and communication programs to assure people, process and technology elements are fully implemented across the enterprise and changes are institutionalized accordingly including:
1. Update of SOPs and integrity management program documents;
 2. Training field technicians and subject matter experts (SMEs) in Corrosion Control and Integrity Management procedural/program changes;
 3. Provide training and communication to technical support and management personnel related to changes in work management and management of KPIs;
 4. Provide ongoing attention to outside influences including organizational changes, mergers, acquisitions, resource changes, retirements, new hires, etc. and assure that such changes are managed such that safety performance is not negatively impacted.
- c. Provide quarterly process improvement updates to the PHMSA including status of related changes and KPIs.

iv. Management System/Data Integration

PEPL shall prepare a strategic data system improvement plan that will allow the effective collection, review, integration and analysis of integrity related data. The plan will define how PEPL will perform timely analysis of integrity related data, recognize integrity threats, identify effective mitigative and preventative measures, and support effective decision making. This data system

strategic plan shall be completed within 1 year from the Effective Date of this Order. This shall be submitted to the Central Region Director for review and comment. An implementation schedule shall be submitted to the Central Region Director for approval.

15. Contact the PHMSA for those events not otherwise a reportable incident, and to the extent practicable, regarding identified belowground leak indications in the pipe body, pipe seam or girth weld other than minor coupling leak indications at the e-mail address provided.

16. Once approved by the Director, each RWP will become incorporated into the Order. These plans may be revised as necessary based on new information or improvement opportunities identified in the course of completing the work and in such case shall be submitted to the Director for prior approval. The Director may approve plan elements incrementally.

17. Implement the RWP elements incrementally as approved by the Director, including any revisions to the plan. The results of all actions taken in accordance with the approved plan must be available for review by the PHMSA or the PHMSA representative.

18. Consent Order Documentation Report (CODR). Respondent must create and submit on a quarterly basis, a CODR. The intent is for the CODRs to summarize all activities and documentation associated with this Order and to identify any activities or documentation for the period reflected in previous report activities so the status of any item in the Order is reflected in each report. When the Respondent has concluded all the required items in this Order, it will submit a final CODR to the Director. This will allow the Director to complete a thorough review of all actions taken by the Respondent with regards to this Order prior to approving the closure of this Order.

19. It is requested that PEPL maintain documentation of the costs associated with implementation of the Order, and include in each report submitted pursuant to Item 19, the to-date total costs associated with: (1) preparation and revision of procedures, studies and analyses; (2) physical changes to pipeline infrastructure, including repairs, replacements and other modifications; and (3) environmental remediation, if applicable.

20. The Director may grant an extension of time for compliance with any of the terms of the Order upon a written request, timely submitted, demonstrating good cause for an extension.

21. For all submissions based upon this Order that requires the approval of the Director, the Director may (a) approve the submission in whole or in part; (b) impose specific conditions; (c) modify the submission to cure any deficiencies; (d) reject the submission in whole or in part; or (e) any combination of the above.

22. PEPL may appeal any decision of the Director to the Associate Administrator for Pipeline Safety. Decisions of the Associate Administrator are final.

III. Review and Approval Process

23. With respect to any submission under Section II of this Consent Agreement that requires the approval of the Region Director, the Director may: (a) approve, in whole or in part,

the submission, (b) approve the submission on specified conditions, (c) disapprove, in whole or in part, the submission, or (d) any combination of the foregoing. If the Region Director approves, approves in part, or approves with conditions, Respondent will take all action as approved by the Director, subject to Respondent's right to invoke the dispute resolution procedures in Section IV with respect to any conditions the Director identifies. If the Director disapproves all or any portion of the submission, the Director will provide Respondent with a written notice of the deficiencies. Respondent will correct all deficiencies within the time specified by the Director and resubmit it for approval.

IV. Dispute Resolution

24. The Region Director and Respondent will informally attempt to resolve any disputes arising under this Consent Agreement. If Respondent and the Region Director are unable to informally resolve the dispute within 15 days, Respondent may request in writing, within 10 days, a written determination resolving the dispute from the Associate Administrator for Pipeline Safety providing all information that Respondent believes is relevant to the dispute. If the request is submitted as provided herein, the Associate Administrator will issue a final determination in writing. The existence of a dispute and the PHMSA's consideration of matters placed in dispute will not excuse, toll, or suspend any term or timeframe for completion of any work to be performed under this agreement during the pendency of the dispute resolution process except as agreed by the Region Director or the Associate Administrator in writing.

V. Enforcement

25. This Consent Agreement, as adopted by the Consent Order, is subject to all enforcement authorities available to the PHMSA under 49 U.S.C. § 60101, et seq., and 49 C.F.R. Part 190. All work plans and associated schedules set forth or referenced in Section II will be automatically incorporated into this Consent Agreement and are enforceable in the same manner.

VI. Recordkeeping and Information Disclosure

26. Unless otherwise required in this Consent Agreement, Respondent agrees to maintain records demonstrating compliance with all requirements of this Consent Agreement for a period of at least five years following completion of all work to be performed. For any reports, plans, or other deliverables required to be submitted to the PHMSA pursuant to this Consent Agreement, Respondent may assert a claim of business confidentiality or other protections applicable to the release of information by the PHMSA, covering part or all of the information required to be submitted to the PHMSA pursuant to this agreement in accordance with 49 C.F.R. Part 7. Respondent must mark the claim of confidentiality in writing on each page, and include a statement specifying the grounds for each claim of confidentiality. The PHMSA determines release of any information submitted pursuant to this Consent Agreement in accordance with 49 C.F.R. Part 7, the Freedom of Information Act, 5 U.S.C. § 552, DOT and/or the PHMSA policies, and other applicable regulations and Executive Orders.

VII. Effective Date

27. The “Effective Date” as used herein is the date on which the Order is issued by the Associate Administrator incorporating the terms of this Agreement. Unless specified to the contrary, all deadlines for actions required by this Consent Agreement run from the Effective Date of this Order.

VIII. Modification

28. The terms of this Consent Agreement may be modified by mutual agreement of the Parties. Such modifications must be in writing and signed by both parties.

IX. Termination

29. This Consent Agreement terminates upon completion of all terms set forth in Section II (Corrective Measures) as determined by the Director, Central Region. Respondent may request written confirmation from the PHMSA when this Consent Agreement is terminated. To the extent ongoing monitoring is required, the PHMSA may terminate this Consent Agreement with respect to all other requirements with the exception of such monitoring. Nothing in this Consent Agreement prevents Respondent from completing any of the obligations earlier than the deadlines provided for in this Agreement.

X. Ratification

30. The Parties’ undersigned representatives certify that they are fully authorized to enter into the terms and conditions of this Consent Agreement and to execute and legally bind such party to this document.

31. The Parties hereby agree to all conditions and terms of this Consent Agreement:

For Respondent:

Ryan K. Coffey
Executive Vice President Operations
Panhandle Eastern Pipe Line Company, LP

Date

For the PHMSA:

Allan Beshore
Director, Office of Pipeline Safety
PHMSA Central Region
U.S. Department of Transportation

Date