



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

1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

August 3, 2026

VIA ELECTRONIC MAIL TO: David brast@tcenergy.com

David Brast
President/Chief Executive Officer
ANR Pipeline Company
700 Louisiana St.
Houston, TX 77002

CPF No. 1-2023-046-NOA; 1-2023-47-NOPV

Dear Mr. Brast,

Enclosed please find a Consent Order incorporating the terms of the Consent Agreement between the Pipeline and Hazardous Materials Safety Administration (PHMSA) and ANR Pipeline Company, which was executed on July 20, 2026. Service of the Consent Order and Consent Agreement by electronic mail is deemed effective upon the date of transmission and acknowledgement of receipt, or as otherwise provided under 49 CFR § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Paul Roberti
Administrator

Enclosure: Consent Order and Consent Agreement

cc: Robert Burrough, Region Director, Eastern Region, Office of Pipeline Safety, PHMSA
Brianne Kurdock, Counsel for ANR, Babst Calland, bkurdock@babstcalland.com

CONFIRMATION OF RECEIPT REQUESTED

Date Issued

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

In the Matter of

ANR Pipeline Company,

Respondent.

)
)
)
)
)
)
)

**CPF Nos. 1-2023-047-NOPV
1-2023-046-NOA**

CONSENT AGREEMENT

From March 14 through November 3, 2022, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of Title 49, United States Code (U.S.C.), conducted an on-site pipeline safety inspection of the facilities and records of ANR Pipeline Company (ANR or Respondent) in Mississippi, Tennessee, Arkansas, Louisiana and Kentucky.

As a result of the inspection, the Director, Eastern Region, OPS (Director), issued to Respondent, by letters dated October 31, 2023 and December 4, 2023, respectively, a Notice of Amendment (NOA) and Notice of Probable Violation and Proposed Compliance Order (NOPV) (together, Notices). In accordance with 49 CFR § 190.206, the NOA alleged that ANR's manual of written procedures was inadequate to ensure safe operation of a pipeline facility. In accordance with 49 CFR § 190.207, the NOPV proposed finding that ANR committed two violations of 49 CFR Part 192 (Items 1 – 2), and proposed ordering Respondent to take certain measures to correct the alleged violations.

TC Energy, on behalf of Respondent, responded to the NOA by letter dated November 29, 2023, and to the NOPV by letter dated January 16, 2024 (Responses). Respondent contested both alleged violations and the proposed compliance order in the NOPV, as well as the alleged inadequacy in the NOA, and requested a hearing. TC Energy also requested to meet informally with PHMSA to discuss the matters raised in its Responses. PHMSA and Respondent (the Parties) subsequently met to discuss the issues raised in the Responses, but were unable to resolve the allegations. On July 10, 2024, PHMSA conducted a hearing concerning the allegations contained in the Notices. Following the hearing, the Parties agreed to revisit settlement discussions.

As a result of those discussions and as explained in more detail below, the Parties have agreed to a Consent Agreement by which PHMSA withdraws the NOA and Item 2 of the NOPV, makes a

finding of violation for Item 1 as alleged in the NOPV, and Respondent will complete certain compliance actions.

Having agreed that settlement of this proceeding will avoid further administrative proceedings or litigation and will serve the public interest by promoting safety and protection of the environment, pursuant to 49 U.S.C. § 60101, *et seq.* and 49 CFR Part 190, and upon consent and agreement, the Parties hereby agree as follows:

I. General Provisions

1. Respondent acknowledges that as the operator of the pipeline facilities subject to the Notices, Respondent and its referenced pipeline facilities 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 (Agreement), Respondent acknowledges that it received proper notice of PHMSA's action in this proceeding and that the Notices 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. After Respondent returns this signed Agreement to PHMSA, the Agency'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 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 this Agreement.

3. 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 Agreement, including all rights to administrative or judicial hearings or appeals, except for the Dispute Resolution provisions set forth herein. Respondent agrees to notify the Presiding Official that the Parties have resolved this matter via Consent Agreement.

4. This Agreement shall apply to and be binding upon PHMSA and 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 Agreement to all of Respondent's officers, employees, and agents whose duties might reasonably include compliance with this Agreement.

5. This Agreement constitutes the final, complete and exclusive agreement and understanding between the Parties with respect to the settlement embodied in this Agreement. The Parties acknowledge that there are no representations, agreements or understandings relating to settlement other than those expressly contained in this Agreement, except that the terms of this Agreement may be construed by reference to the Notices.

6. Nothing in this 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 Agreement alters PHMSA's right of access, entry, inspection, and information gathering or 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.

7. For all transfers of ownership or operating responsibility of Respondent's pipeline system referenced herein, Respondent will provide a copy of this Agreement to the prospective transferee at least 30 days prior to such transfer. Respondent will provide written notice of the transfer to the Director no later than 60 days after the transfer occurs.

8. This Agreement does not waive or modify any Federal, State, or local laws or regulations that are applicable to Respondent's pipeline systems. This 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.

9. This Agreement does not create rights in, or grant any cause of action to, any third party not party to this 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 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 Agreement.

10. Except as set forth herein, this Agreement does not constitute a finding of violation of any other federal law or regulation and may not be used in any civil proceeding of any kind as evidence or proof of any fact, fault or liability, or as evidence of a violation of any law, rule, regulation, or requirement, except in a proceeding to enforce the provisions of this Agreement or in future PHMSA enforcement actions.

II. Finding of Violation:

A. 1-2023-047-NOPV

11. **Item 1 - 49 CFR § 192.707(a)(2):** The Notice alleged ANR failed to place and maintain as close as practical pipeline markers described by § 192.707(d) over each buried main and transmission line wherever necessary to identify the location of the transmission line or main to reduce the possibility of damage or interference. Specifically, the Notice alleged that Respondent failed to install line markers on Unit #s 2002, 1062, and 1052, located in Kentucky, Tennessee, and Mississippi, respectively. Respondent contested the allegation of violation as alleged in the Notice, but, for purposes of settlement, has agreed to accept the finding of violation. As such, PHMSA finds a violation of 49 CFR § 192.707(a)(2).

12. Item 1 will be considered by PHMSA as a prior offense in any future PHMSA enforcement action taken against Respondent for the five-year period following the Effective Date of this Agreement.

III. Items Withdrawn:

A. 1-2023-047-NOPV

13. **Item 2 - 49 CFR § 192.731(a):** With respect to Item 2 of the Notice, the Parties agree that this Item should be withdrawn following review of the facts and circumstances surrounding the use of the relief devices referred to in the NOPV. Because this Item is withdrawn, it will not constitute a finding of violation for any purpose, and no further action by Respondent is necessary with respect to this Item. As such, the allegation of violation for Item 2 and the proposed compliance order associated with this Item are withdrawn.

B. 1-2023-046-NOA

14. **Item 1 - 49 CFR § 192.605(b)(1):** With respect to Item 1 of the NOA, the Parties agree that this Item should be withdrawn following review of the facts and circumstances surrounding the use of the relief devices referred to the NOA. Because this Item is withdrawn, no further action by Respondent is necessary with respect to this item. As such, the allegation of inadequacy for Item 1 is withdrawn.

IV. Compliance Order:

A. 1-2023-047-NOPV

15. **Item 1:** The NOPV proposed certain compliance order actions to address the non-compliance alleged in the NOPV. Respondent contested the Proposed Compliance Order, in part because it installed line markers at the locations referred to in the Proposed Compliance Order in September 2022, prior to issuance of the NOPV, and in March 2024, prior to the hearing, and provided documentation of the installation. PHMSA accepts Respondent's records regarding the installation of the line markers, but, because of the passage of time since installation, determines that verification of the continued presence of the line markers is necessary to ensure that Respondent is still in compliance. As such, Respondent agrees to verify that the line markers previously installed remain in the field today. ANR will provide photographic evidence of those line markers to the Director within 90 days of the Effective Date of this Agreement.

V. Enforcement:

16. This Agreement is subject to all enforcement authorities available to PHMSA under 49 U.S.C. § 60101, *et seq.*, and 49 CFR Part 190, including administrative civil penalties under 49 U.S.C. § 60122, of up to \$272,926 per violation for each day the violation continues and referral of the case to the Attorney General for judicial enforcement, if PHMSA determines that Respondent is not complying with the terms of this Agreement in accordance with the determinations made by the Director, or in accordance with decisions of the Associate Administrator if resolved pursuant to the Dispute Resolution process herein. The maximum civil penalty amounts are adjusted annually for inflation. *See* 49 CFR § 190.223. All work plans and associated schedules set forth or referenced in Section IV (Compliance Order) are automatically incorporated into this Agreement and are enforceable in the same manner.

VI. Dispute Resolution:

17. The Director and Respondent will informally attempt to resolve any disputes arising under this Agreement, including any decision of the Director under the terms of Sections IV (Compliance Order). If Respondent and the Director are unable to informally resolve the dispute within 15 calendar days after the dispute is first raised, in writing, to the Director, Respondent may submit a written request for a determination resolving the dispute from the Associate Administrator. Such request must be made in writing and provided to the Director, counsel for the Eastern Region, and to the Associate Administrator, no later than 10 calendar days from the 15-day deadline for informal resolution referenced in this paragraph. Along with its request, Respondent must provide the Associate Administrator with all information Respondent believes is relevant to the dispute. Decisions of the Associate Administrator under this paragraph will constitute final agency action. The existence of a dispute and 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.

VII. Effective Date:

18. The term "Effective Date," as used herein, is the date on which the Consent Order is issued by the Associate Administrator incorporating the terms of this Agreement.

VIII. Recordkeeping and Information Disclosure:

19. Unless otherwise required in this Agreement, Respondent agrees to maintain records demonstrating compliance with all requirements of this Agreement for a period of at least five (5) years following completion of all work to be performed, unless a longer period of time is required pursuant to 49 CFR parts 190-199. For any reports, plans, or other deliverables required to be submitted to PHMSA pursuant to this Agreement, Respondent may assert a claim of business confidentiality or other protections applicable to the release of information by PHMSA, covering part or all of the information required to be submitted to PHMSA pursuant to this Agreement in accordance with 49 CFR 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. PHMSA determines release of any information submitted pursuant to this Agreement in accordance with 49 CFR Part 7, the Freedom of Information Act, 5 U.S.C. § 552, DOT and PHMSA policies, and other applicable regulations and Executive Orders.

IX. Modification:

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

X. Termination:

21. This Agreement will remain in effect until the Compliance Order in Section IV is satisfied, as determined by the Director. The Agreement shall not terminate until the Director

confirms, in writing, that the Agreement is terminated in accordance with this paragraph. Nothing in this Agreement prevents Respondent from completing any of the obligations earlier than the deadlines provided for in this Agreement.

XI. Ratification:

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

23. The Parties hereby agree to all findings, conditions, and terms of this Agreement.

[Signature Lines on Following Page]

For ANR Pipeline Company:

Vice President, Operations Services, U.S. Natural Gas Pipelines

Date

For PHMSA:

Director, Eastern Region, Office of Pipeline Safety

Date