



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

1200 New Jersey Avenue, SE
Washington, DC 20590

December 19, 2025

VIA ELECTRONIC MAIL TO: jeff.warmann@monroe-energy.com

Jeff Warmann
President and CEO
MIPC, LLC
920 Cherry Tree Road
Aston, PA 19014

CPF No. 1-2025-048-CAO

Dear Mr. Warmann:

Enclosed please find the Corrective Action Order (CAO or Order) issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), in the above-referenced case. It requires MIPC, LLC (MIPC or Respondent), a wholly owned subsidiary of Monroe Energy, LLC, to take certain corrective actions with respect to the failure of Tank 708 which occurred at its Chelsea Tank Farm in Aston, Pennsylvania.

Service of the CAO by electronic transmission is deemed complete upon transmission and acknowledgment of receipt, or as otherwise provided under 49 CFR § 190.5. The terms and conditions of this Order are effective upon completion of service.

Sincerely,

TIMOTHY MICHAEL
GAITHER

Digitally signed by TIMOTHY
MICHAEL GAITHER
Date: 2025.12.19 15:45:24
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Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

Enclosure: CAO

cc: Robert Burrough, Director, Eastern Region, Office of Pipeline Safety, PHMSA
Caroline Kerr, MIPC Regulatory Compliance Lead, MIPC, LLC,
caroline.kerr@monroe-energy.com
Christine Shorokey, Vice President and General Manager, MIPC, LLC,

chris.shorokey@monroe-energy.com
John Bowen, Pipeline Safety Lead, MIPC, LLC, john.bowen@monroe-energy.com

CONFIRMATION OF RECEIPT REQUESTED

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

In the Matter of

**MIPC, LLC,
a subsidiary of Monroe Energy, LLC,**

Respondent.

CPF No. 1-2025-048-CAO

CORRECTIVE ACTION ORDER

Purpose and Background

This Corrective Action Order (CAO or Order) is being issued by the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), under the authority of 49 U.S.C. § 60112 and 49 CFR § 190.233 to require MIPC, LLC (MIPC or Respondent) to take the necessary corrective actions to protect the public, property, and the environment from potential hazards associated with the December 5, 2025, reportable accident resulting in the release of hazardous liquid from MIPC's hazardous liquid breakout tank (Tank 708) at its Chelsea Tank Farm in Aston, Pennsylvania.

MIPC owns and operates a hazardous liquid storage and distribution network that includes 51 miles of pipeline, two tank farms, one truck terminal and 25 breakout tanks with a total tankage capacity of 2.75 million barrels. One of those tank farms, Chelsea Tank Farm, is located in Aston, Pennsylvania and has 12 hazardous liquid breakout tanks with a total storage capacity of 1.7 million barrels.

On December 15, 2025, MIPC notified PHMSA of a reportable accident on a hazardous liquid breakout tank, Tank 708, with an estimated volume release of 9,000 barrels (the Accident). MIPC first observed hazardous liquid in a culvert on August 18, 2025. MIPC determined the source of the hazardous liquid was Tank 708 and took it out of service on December 2, 2025. On December 13, 2025, MIPC discovered an approximately 1/4-inch manmade hole in the floor of Tank 708. No fires, injuries, fatalities, or evacuations occurred because of the hazardous liquid release. However, it appears groundwater sources, wildlife, and vegetation may be affected.

Pursuant to 49 U.S.C. § 60117, PHMSA, Office of Pipeline Safety (OPS) initiated an investigation of the Incident. The preliminary findings of the ongoing investigation are as follows:

Preliminary Findings

- MIPC¹ owns and operates a hazardous liquid storage and distribution network that includes 51 miles of pipeline, two tank farms, one truck terminal and 25 breakout tanks with a total tankage capacity of 2.75 million barrels.²
- MIPC facilities include the Chelsea Tank Farm, Woodbury Terminal, and G Street Terminal.
- The Chelsea Tank Farm is located in Aston, Pennsylvania and has 12 hazardous liquid breakout tanks with a total storage capacity of 1.7 million barrels.
- The Chelsea Tank Farm is located in a high consequence area and surrounded by residential homes.
- Tank 708, located at Chelsea Tank Farm, was installed in 1951, measures 144 by 58 feet, and has a 151,111-barrel capacity.
- On July 16, 2024, MIPC discovered staining on the chime and caulking of Tank 708. MIPC determined that the staining was the result of an internal corrosion failure on the lower right side of the tank. As a result, the tank was drained and removed from service.
- On March 3, 2025, MIPC returned Tank 708 to service after completing an API RP 653 out of service inspection.
- On August 18, 2025, MIPC observed gasoline on facility grounds at Chelsea Tank Farm and began investigating the source. MIPC determined that the volume of gasoline observed did not meet the reportable threshold in 49 CFR Part 195 (*i.e.*, less than five gallons observed).
- On December 5, 2025, MIPC observed additional gasoline on facility grounds that triggered the 49 CFR Part 195 accident reporting requirements. MIPC reported the release to PHMSA and the National Response Center (NRC Report #1449591) stating that the amount of gasoline released is unknown but may be significant and impacting soil and groundwater.
- On December 15, 2025, MIPC filed an updated NRC report stating that the release amount is at least 760 barrels from a PHMSA-regulated breakout tank or pipeline and that the leaking gasoline is affecting groundwater (NRC Report #1450525).
- On December 17, 2025, MIPC reported to PHMSA that a regulated breakout tank, Tank 708, storing gasoline leaked with an estimated volume release of 9,000 barrels. MIPC stated that the source of the leak is believed to be a 1/4-inch hole in the bottom of the Tank 708.

¹ MIPC is also referred to as the Monroe Interstate Pipeline Company.

² Monroe Energy, LLC, About MIPC, <https://www.monroepipeline.com/about-mipc/> (last visited Dec. 19, 2025).

- On December 18, 2025, PHMSA investigators deployed to Chelsea Tank Farm and determined that the 1/4-inch hole was manmade and the source of the gasoline leak from Tank 708.
- Tank 708 was leaking gasoline from the 1/4-inch manmade hole from at least March 3 through December 2, 2025, when MIPC removed Tank 708 from service.
- MIPC installed 12 ground water monitoring and recovery wells within Chelsea Tank Farm. Installation of additional wells is ongoing. Recovery of the gasoline from the wells is also ongoing. The Pennsylvania Department of Environmental Protection will oversee MIPC's groundwater remediation.
- MIPC tested four residential water wells and has not observed any hydrocarbons in the water, as of December 18, 2025. MIPC will continue to monitor nearby residential wells and intends to install groundwater monitoring wells outside facility boundaries.

Determination of Necessity for Corrective Action Order and Right to Hearing

Section 60112 authorizes PHMSA to determine that a pipeline facility is or would be hazardous to life, property, or the environment and if there is a likelihood of serious harm, to issue an order without prior notice to the operator of the facility to take necessary corrective action, including suspended or restricted use of the facility, physical inspection, testing, repair, replacement, or other appropriate action. An order issued without notice must provide an opportunity for a hearing as soon as practicable after the order is issued.

In deciding whether to issue an order, PHMSA must consider the following, if relevant: (1) the characteristics of the pipe and other equipment used in the pipeline facility, including the age, manufacture, physical properties, and method of manufacturing, constructing, or assembling the equipment; (2) the nature of the material the pipeline facility transports, the corrosive and deteriorative qualities of the material, the sequence in which the material are transported, and the pressure required for transporting the material; (3) the aspects of the area in which the pipeline facility is located, including climatic and geologic conditions and soil characteristics; (4) the proximity of the area in which the natural gas pipeline facility is located to environmentally sensitive areas; (5) the population density and population and growth patterns of the area in which the pipeline facility is located; (6) any recommendation of the National Transportation Safety Board made under another law; and (7) other factors PHMSA may consider appropriate.

After evaluating the foregoing preliminary findings of fact, and having considered the age of the breakout tanks, the hazardous nature of the product transported and stored, the proximity of the breakout tanks to groundwater and residential properties, the uncertainty as to the cause of the manmade hole, the uncertainty if similar holes are on other breakout tanks at the same facility, the duration the leak went undetected, and the potential deleterious impacts to groundwater, residential wells, and soil, I find that continued operation of the pipeline facility without corrective measures is or would be hazardous to life, property, or the environment, and that failure to issue this Order without notice would result in the likelihood of serious harm.

Accordingly, under 49 CFR § 190.233(b), this Order mandating immediate corrective action is issued expeditiously without prior notice and opportunity for a hearing. The terms and conditions of this Order are effective upon receipt.

Within 10 days of receipt of this Order, Respondent may request a hearing, to be held as soon as practicable, by notifying the Associate Administrator for Pipeline Safety in writing, with a copy to the Director, OPS, Eastern Region, PHMSA (Director). If a hearing is requested, it will be held in accordance with 49 CFR § 190.211.

After receiving and analyzing additional data in the course of this investigation, PHMSA may identify other corrective measures that need to be taken. Respondent will be notified of any additional measures required and, if appropriate, PHMSA will consider amending this Order. To the extent consistent with safety, Respondent will be afforded notice and an opportunity for a hearing prior to the imposition of any additional corrective measures.

Required Corrective Actions

Definitions:

Affected Tank – The “*Affected Tank*” means breakout tank 708 at the Chelsea Tank Farm.

Affected Facility – The “*Affected Facility*” means all piping, pump units, measurement facilities, tanks, valves, actuators, control devices, pressure relief devices, SCADA equipment, sensors, fabricated assemblies, and appurtenant facilities at the Chelsea Tank Farm.

Director – The “*Director*” means the Director, Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), Eastern Region. The Director’s address is 840 Bear Tavern Road, Suite 300 West Trenton, NJ 08628.

Pursuant to 49 U.S.C. § 60112, I hereby order MIPC to immediately take the following corrective actions:

1. ***Shutdown of the Affected Tank.*** The *Affected Tank* must remain shut in and may not be operated until authorized to be restarted by the Director in accordance with the terms of this Order.
2. ***Operating Restrictions.***
 - a. Tank 708 at the Chelsea Tank Farm (*Affected Tank*) will remain shut-in and out of operation until approval to restart is given by the Director pursuant to Corrective Action Item 4.
 - b. Prior to requesting approval to restart operations of the *Affected Tank*, Respondent must contract with a properly qualified independent third-party vendor to identify the cause and circumstances that resulted in the Accident and communicate the cause and circumstances in writing to the Director. Prior to initiating the

investigation, the Respondent must submit the proposed third-party vendor and its qualifications to the Director in writing for approval. Respondent must also review its reporting and emergency response procedures, and accurately determine and report the release volume that occurred during the Accident as required by 49 CFR § 195.52. Respondent must also identify any issues or actions with regard to the operation of the *Affected Facility* that were taking place at the from March 3 through December 17 that prevented immediate identification of the release. This information must be submitted in writing to the Director prior to the initial request to restart operations, or in any event no later than 60 days from issuance of this Order.

3. **Remedial Work Plan.**

- a. Within 60 days following receipt of the CAO, MIPC must submit a remedial work plan (RWP) to the Director for approval.
- b. The Director may approve the RWP incrementally without approving the entire RWP.
- c. Once approved by the Director, the RWP will be incorporated by reference into this Order.
- d. The RWP must specify the tests, inspections, assessments, evaluations, and remedial measures MIPC will use to verify the integrity of the *Affected Facility*. It must address all known or suspected factors and causes of the Accident. MIPC must consider the risks and consequences of another failure to develop a prioritized schedule for RWP-related work along the *Affected Facility*.
- e. The RWP must include a procedure or process to:
 - i. Identify tanks in the *Affected Facility* with characteristics similar to the contributing factors identified for the Accident, including the age, manufacture, and recent inspection history of the *Affected Tank*.
 - ii. Gather all data necessary to review the failure history (in service and pressure test failures) of the *Affected Tank* and to prepare a written report containing all the available information such as the locations, dates, and causes of leaks and failures.
 - iii. Integrate the results of the metallurgical testing, root cause failure analysis, and other corrective actions required by this Order with all relevant pre-existing operational and assessment data for the *Affected Tank*. Pre-existing operational data includes, but is not limited to, design, construction, operation, maintenance, testing, repairs, prior metallurgical analyses, and any third-party consultation information. Pre-existing assessment data includes, but is not limited to, in-service inspections, hydrostatic pressure testing, out of service inspections, and any other appropriate tests or inspections.
 - iv. Determine if conditions similar to those contributing to the Accident are likely to exist elsewhere at the *Affected Facility*.
 - v. Conduct additional field tests, inspections, assessments, and evaluations to determine whether, and to what extent, the conditions associated with the

Accident, and other failures from the failure history (see (e)(ii) above) or any other integrity threats are present elsewhere on the *Affected Facility*. MIPC must consider all failure causes and shall use any tests, inspections, assessments, and evaluations appropriate for the failure causes in a breakout tank.

Note: MIPC may use the results of previous tests, inspections, assessments, and evaluations if approved by the Director, provided the results of the tests, inspections, assessments, and evaluations are analyzed with regard to the factors known or suspected to have caused the Accident.

- vi. Based on the known history and condition of the *Affected Tank*, describe the methods MIPC will use to repair, replace, or take other corrective measures to remediate the conditions associated with the Accident and to address other known integrity threats at the *Affected Facility*.
 - f. Include a proposed schedule for completion of the RWP.
 - g. MIPC must revise the RWP as necessary to incorporate new information obtained during the failure investigation and remedial activities, to incorporate the results of actions undertaken pursuant to this Order, and to incorporate modifications required by the Director.
 - i. Submit any plan revisions to the Director for prior approval.
 - ii. The Director may approve plan revisions incrementally.
 - iii. All revisions to the RWP after it has been approved and incorporated by reference into this Order will be fully described and documented in the *CAO Documentation Report*.
 - h. Implement the RWP as it is approved by the Director, including any revisions to the plan.
4. **Restart Plan.** Prior to resuming operation of the *Affected Tank*, MIPC must develop and submit a written *Restart Plan* to the Director for prior approval.
- a. The Director may approve the *Restart Plan* incrementally without approving the entire plan, but the *Affected Tank* cannot resume operation until the *Restart Plan* is approved in its entirety.
 - b. Once approved by the Director, the *Restart Plan* will be incorporated by reference into this Order.
 - c. The *Restart Plan* must provide for adequate oversight of the *Affected Tank* during the restart process and must include incremental liquid level fill elevations during start up, with each increment to be held for at least 2 hours.
 - d. The *Restart Plan* must include sufficient surveillance and level monitoring of Tank 708 during each liquid level fill elevation increment to ensure that no leaks are present when the tank is returned to service.
 - e. The *Restart Plan* must specify a day-light restart and include advance communications with local emergency response officials and adjacent landowners.
 - f. The *Restart Plan* must provide for a review of the *Affected Facility* for conditions

similar to those of the failure including a review of construction, operations and maintenance (O&M) and integrity management records such as hydrostatic tests, root cause failure analysis of prior failures, aerial and ground patrols, corrosion, cathodic protection, excavations and tank repairs/replacements. MIPC must address any findings that require remedial measures to be implemented prior to restart.

- g. The *Restart Plan* must also include documentation of the completion of all mandated actions, and a management of change plan to ensure that all procedural modifications are incorporated into MIPC's O&M procedural manual.
5. ***Return to Service.*** After the Director approves the *Restart Plan*, MIPC may return the *Affected Tank* to service according to the terms of the *Restart Plan*.
 6. ***Mechanical and Metallurgical Testing.*** Within 45 days of receipt of the CAO, MIPC must complete mechanical and metallurgical testing and failure analysis of the failed tank, including an analysis of soil samples and any foreign materials. Mechanical and metallurgical testing must be conducted by an independent third-party approved by the Director and must document the decision-making process and all factors contributing to the failure. MIPC must complete the testing and analysis as follows:
 - a. Document the chain-of-custody when handling and transporting the failed tank section and other evidence from the failure site.
 - b. Within 10 days of receipt of the CAO, develop and submit the testing protocol and the proposed testing laboratory to the Director for prior approval.
 - c. Prior to beginning the mechanical and metallurgical testing, provide the Director with the scheduled date, time, and location of the testing to allow for an OPS representative to witness the testing.
 - d. Ensure the testing laboratory distributes all reports whether draft or final in their entirety to the Director at the same time they are made available to MIPC.
 - e. If MIPC deems mechanical and metallurgical testing to be unnecessary based on a determined probable failure cause, they may request exemption of mechanical and metallurgical testing in writing to the Director. This request must include documentation to support the decision not to perform mechanical and metallurgical testing.
 7. ***Root Cause Failure Analysis.*** Within 90 days following receipt of the CAO, MIPC must complete a root cause failure analysis (RCFA) and submit a final report of this RCFA to the Director. The RCFA must be supplemented or facilitated by an independent third-party approved by the Director and must document the decision-making process and all factors contributing to the Accident. The RCFA must be distributed, whether draft or final, in their entirety to the Director at the same time they are made available to MIPC. The final report must include findings and any lessons learned and whether the findings and lessons learned are applicable to other locations within MIPC's pipeline system.
 8. ***CAO Documentation Report.*** MIPC must create and revise, as necessary, a CAO Documentation Report (CDR). When MIPC has concluded all the items in this Order

it will submit the final CDR in its entirety to the Director. This will allow the Director to complete a thorough review of all actions taken by MIPC with regards to this Order prior to approving the closure of this Order. The intent is for the CDR to summarize all activities and documentation associated with this Order in one document.

- a. The Director may approve the CDR incrementally without approving the entire CDR.
- b. Once approved by the Director, the CDR will be incorporated by reference into this Order.
- c. The CDR must include, but is not necessarily limited to, the following:
 - i. Table of Contents;
 - ii. Summary of the Tank 708 failure and the response activities;
 - iii. Summary of tank data, material properties and all prior assessments of the *Affected Tank*;
 - iv. Summary of all tests, inspections, assessments, evaluations, and analysis required by the Order;
 - v. Summary of the mechanical and metallurgical testing required by the Order;
 - vi. Summary of the RCFA with all root causes required by the Order;
 - vii. Documentation of all actions taken by MIPC to implement the RWP, the results of those actions, and the inspection and repair criteria used;
 - viii. Lessons learned while completing this Order;
 - ix. A path forward describing specific actions MIPC will take at the Chelsea Tank Farm as a result of the lessons learned from work on this Order; and
 - x. Appendices (if required).

Other Requirements

9. **Approvals.** With respect to each submission that under this Order requires the approval of the Director, the Director may: (a) approve, in whole or part, the submission; (b) approve the submission on specified conditions; (c) modify the submission to cure any deficiencies; (d) disapprove in whole or in part, the submission, directing that Respondent modify the submission, or (e) any combination of the above. In the event of approval, approval upon conditions, or modification by the Director, Respondent shall proceed to take all action required by the submission as approved or modified by the Director. If the Director disapproves all or any portion of the submission, Respondent must correct all deficiencies within the time specified by the Director and resubmit it for approval.
10. **Extensions of Time.** The Director may grant an extension of time for compliance with any of the terms of this Order upon a written request timely submitted demonstrating good cause for an extension.

11. **Reporting.** Submit quarterly reports to the Director that: (1) include all available data and results of the testing and evaluations required by this Order; and (2) describe the progress of the repairs or other remedial actions being undertaken. The first quarterly report is due on March 31, 2026. The Director may change the interval for the submission of these reports.
12. **Documentation of the Costs.** It is requested that Respondent maintain documentation of the costs associated with implementation of this Corrective Action Order. Include in each monthly report submitted, 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.

Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. § 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. § 552(b).

In your correspondence on this matter, please refer to “CPF No. 1-2025-048-CAO” and for each document you submit, please provide a copy in electronic format whenever possible. The actions required by this Order are in addition to and do not waive any requirements that apply to Respondent’s pipeline system under 49 CFR Parts 190 through 199, under any other order issued to Respondent under authority of 49 U.S.C. Chapter 601, or under any other provision of federal or state law.

Respondent may appeal any decision of the Director to the Associate Administrator for Pipeline Safety. Decisions of the Associate Administrator shall be final.

Failure to comply with this Order may result in the assessment of civil penalties and in referral to the Attorney General for appropriate relief in United States District Court pursuant to 49 U.S.C. § 60120.

The terms and conditions of this Order are effective upon service in accordance with 49 CFR § 190.5.

TIMOTHY MICHAEL
GAITHER

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Date: 2025.12.19 15:45:47
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Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

December 19, 2025

Date Issued