



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

1200 New Jersey Avenue, SE
Washington, DC 20590

October 6, 2025

VIA ELECTRONIC MAIL TO: CEO@tallgrass.com

Matt Sheehy
President & Chief Executive Officer
Tallgrass Energy, LP
370 Van Gordon Street
Lakewood, Colorado 80228

CPF No. 3-2024-040-NOPV

Dear Mr. Sheehy:

Enclosed please find a Consent Order incorporating the terms of the Consent Agreement between the Pipeline and Hazardous Materials Safety Administration (PHMSA) and Tallgrass Energy, LP, which was executed on September 26, 2025. When the civil penalty has been paid, this enforcement action will be closed. 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,

LINDA GAIL
DAUGHERTY
Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

Digitally signed by LINDA
GAIL DAUGHERTY
Date: 2025.10.02
13:50:00 -04'00'

Enclosure: Consent Order and Consent Agreement

cc: David Barrett, Acting Region Director, Central Region, Office of Pipeline Safety,
PHMSA
Danielle Stephens, DOT Compliance Primary, Tallgrass Energy, LP,
Danielle.Stephens@tallgrass.com
Crystal Heter, Chief Operating Officer, Tallgrass Energy, LP,
Crystal.Heter@tallgrass.com

Catherine Little, Counsel for Tallgrass, Bracewell, LLP, catherine.little@bracewell.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))
))
Tallgrass Energy, LP,) **CPF No. 3-2024-040-NOPV**
))
Respondent.))
_____))

CONSENT ORDER

By letter dated September 6, 2024, pursuant to 49 CFR § 190.207, the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), issued a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Notice) to Tallgrass Energy, LP (Tallgrass or Respondent).

In response to the Notice, Respondent contested several of the alleged violations, the proposed civil penalty, and the proposed compliance order, and requested a hearing (Response). Tallgrass also requested to meet informally with PHMSA to discuss the matters raised in its Response. Respondent and PHMSA (the Parties) subsequently met to discuss the case. As a result of those discussions, the Parties have agreed to a Consent Agreement by which PHMSA makes findings of violations for two of the Items alleged in the Notice (Items 1 and 2), modifies two of the Items alleged in the Notice to warnings (Items 3 and 5), and withdraws two of the Items alleged in the Notice (Items 4 and 6). Respondent will pay a civil penalty in the amount of **\$188,800**, and there are no outstanding compliance order obligations under the terms of the Consent Agreement.

Accordingly, the Consent Agreement is hereby approved and incorporated by reference into this Consent Order issued pursuant to § 190.219. Tallgrass is hereby ordered to comply with the terms of the Consent Agreement pursuant to its terms. Pursuant to 49 U.S.C. § 60101, *et seq.*, failure to comply with this Consent Order may result in the assessment of civil penalties as set forth in 49 U.S.C. § 60122 and 49 CFR § 190.223, or in referral to the Attorney General for appropriate relief in a district court of the United States.

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

LINDA GAIL DAUGHERTY
Digitally signed by LINDA GAIL DAUGHERTY
Date: 2025.10.02 13:50:44 -04'00'

Linda Daugherty
Acting Associate Administrator
for Pipeline Safety

October 6, 2025

Date Issued

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

<p>In the Matter of</p> <p>Rockies Express Pipeline, LLC, a subsidiary of Tallgrass Energy, LP</p> <p>Respondent.</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>CPF No. 3-2024-040-NOPV</p>
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CONSENT AGREEMENT

From February 2, 2023, through January 25, 2024, representatives 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.), inspected Rockies Express Pipeline, LLC’s (REX or Respondent) pipeline facilities from Mexico, Missouri, to Powhatan Point, Ohio. REX is a subsidiary of Tallgrass Energy, LP (Tallgrass).¹

As a result of the inspection, the Director, Central Region, OPS (Director), issued to Respondent, by letter dated September 6, 2024, a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Notice). In accordance with 49 CFR § 190.207, the Notice proposed finding that REX committed one violation of 49 CFR Part 191 (Item 1) and five violations of 49 CFR Part 192 (Items 2 – 6), proposed ordering Respondent to take certain measures to correct certain of the alleged violations, and proposed a civil penalty of \$246,800.

REX responded to the Notice by letter dated October 4, 2024 (Response). Respondent contested four of the alleged violations, the associated proposed civil penalty, and the associated proposed compliance order, and requested a hearing. Respondent did not contest Items 1 and 2 of the Notice. REX also requested to meet informally with PHMSA to discuss the matters raised in its Response.

PHMSA and Respondent (the Parties) subsequently met to discuss the issues raised in the Response. As a result of those discussions and as explained in more detail below, the Parties have agreed to a Consent Agreement by which PHMSA makes findings of violations for Notice Items 1 and 2 as alleged, reduces Items 3 and 5 to warnings, and withdraws Items 4 and 6. Respondent will pay a reduced civil penalty in the amount of **\$188,800** specifically associated with uncontested Items 1 and 2.

¹ See Rockies Express Pipeline (REX), TALLGRASS ENERGY, <https://pipeline.tallgrassenergylp.com/Pages/Content.aspx?pipeline=501&type=SMRY> (last accessed August 28, 2025).

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 Notice, 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 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. 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 withdraw its request for an administrative hearing regarding the Notice.

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 and any incorporated work plans and schedules 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 Notice.

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. Findings of Violation:

11. **Item 1 - 49 CFR § 191.22(c)(1)(i):** The Notice alleged REX failed to notify PHMSA of a planned modification to the Rockies Express Pipeline costing more than \$10 million, no later than 60 days before it began. Respondent does not contest the allegation of violation as alleged in the Notice. As such, PHMSA finds a violation of 49 CFR § 191.22(c)(1)(i).

12. **Item 2 - 49 CFR § 192.5(b):** The Notice alleged REX failed to identify the correct class location related to two sites on the REX/Kinetrex Interconnect (RKI) lateral pipeline. Respondent does not contest the allegation of violation as alleged in the Notice. As such, PHMSA finds a violation of 49 CFR § 192.5(b).

13. Items 1 and 2 will be considered by PHMSA as prior offenses in any future PHMSA enforcement action taken against Respondent.

III. Warning Items:

14. *Item 3 - 49 CFR § 192.195(a)*: The Notice alleged that REX failed to install adequate pressure relieving or limiting devices meeting the requirements of §§ 192.199 and 192.201 on its RKI lateral pipeline. The allegation arose from one of the class location misidentifications referenced in Item 2. This Item was brought as an allegation of violation with an associated proposed compliance order; however, PHMSA finds that a warning is more appropriate for this Item. As such, this Item does not constitute a finding of violation, and the proposed compliance order associated with this Item is withdrawn. In addition, following discovery of the misidentification, REX carried out measures to protect the RKI lateral from an overpressure event, including by installing permanent overpressure protection devices before the initiation of this enforcement action and conducting inspections of those devices, removing the need for further compliance actions. Respondent, without admission, accepts a warning.

15. *Item 5 - 49 CFR § 192.619(a)(1)*: The Notice alleged that REX established the Maximum Allowable Operating Pressure (MAOP) at a pressure that exceeded the design pressure of its weakest element. The allegation arises from one of the class location misidentifications referenced in Item 2. This Item was brought as an allegation of violation with an associated proposed compliance order; however, PHMSA finds that a warning is more appropriate for this Item. As such, this Item does not constitute a finding of violation, and the proposed compliance order associated with this Item is withdrawn. In addition, following discovery of the misidentification and prior to the initiation of this enforcement action, REX properly established the MAOP for the RKI lateral, thus removing the need for further compliance actions. Respondent also provided PHMSA with supporting documentation regarding the highest operating pressure, design, and set points for the line. Respondent, without admission, accepts a warning.

16. For Warning Items 3 and 5, if OPS finds a violation of these provisions in a subsequent inspection, Respondent may be subject to future enforcement action.

IV. Items Withdrawn:

17. *Item 4 - 49 CFR § 192.491(c)*: With respect to Item 4 of the Notice, the Parties agree that this Item should be withdrawn following further review of Respondent's management of its corrosion control program, including its process for assessing the capacitance effect of AC mitigation devices on its system. 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 4 and the proposed compliance order associated with this Item are withdrawn.

18. *Item 6 - 49 CFR § 192.705(c)*: With respect to Item 6 of the Notice, the Parties agree that this Item should be withdrawn following further review of REX's aerial patrol program. 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 6, the proposed civil penalty, and the proposed compliance order associated with this Item are withdrawn.

V. Civil Penalty:

19. **Items 1 and 2:** The Notice proposed assessing a civil penalty in the amount of \$39,100 for Item 1 and \$149,700 for Item 2. Respondent did not contest the proposed civil penalties for these Items. As such, Respondent shall pay a civil penalty in the amount of **\$39,100** for Item 1 and **\$149,700** for Item 2.

20. Respondent will pay a total reduced civil penalty in the amount of **\$188,800**, pursuant to the payment instructions at 49 CFR § 190.227(a), to be paid in full no later than 20 days from the **Effective Date** of this Agreement.

VI. Compliance Order:

21. All proposed compliance order requirements set forth in the Notice have been withdrawn. Respondent has no outstanding compliance order obligations under the terms of this Agreement.

VII. Enforcement:

22. 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.

VIII. Dispute Resolution:

23. The Director and Respondent will informally attempt to resolve any disputes arising under this Agreement. 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 Central 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.

IX. Effective Date:

24. 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.

X. Recordkeeping and Information Disclosure:

25. 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.

XI. Modification:

26. 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.

XII. Termination:

27. This Agreement will remain in effect until the Civil Penalty in Section V is paid in full. This enforcement action will be closed upon payment. Nothing in this Agreement prevents Respondent from completing any of the obligations earlier than the deadlines provided for in this Agreement.

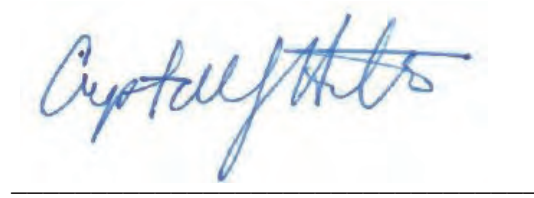
XIII. Ratification:

28. 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.

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

[Signature Lines on Following Page]

For Rockies Express Pipeline, LLC: __



9/26/2025
Date

For PHMSA:

DAVID A BARRETT Digitally signed by DAVID A BARRETT
Date: 2025.09.26 11:29:42 -05'00'

Acting
Director, Central Region, Office of Pipeline Safety