



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

1200 New Jersey Avenue, SE
Washington, DC 20590

September 28, 2020

VIA ELECTRONIC MAIL TO: dcallens@cameronlng.com

Mr. Daniel Callens, Jr.
Chief Operating Officer
Cameron LNG, LLC
2925 Briarpark Drive, Suite 1000
Houston, Texas 77042

CPF No. 4-2019-3001

Dear Mr. Callens:

Enclosed please find a Consent Order incorporating the terms of the Consent Agreement between the Pipeline and Hazardous Materials Safety Administration (PHMSA) and Cameron LNG, LLC, which was executed on September 25, 2020. Service of the Consent Order and Consent Agreement by electronic mail is deemed effective upon the date of transmission as provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

**ALAN KRAMER
MAYBERRY** Digitally signed by ALAN
KRAMER MAYBERRY
Date: 2020.09.25 13:13:42
-04'00'

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosure: Order and Consent Agreement

cc: Ms. Mary McDaniel, Director, Southwestern Region, OPS, PHMSA
Ms. Linda Daugherty, Deputy Associate Administrator for Field Operations, OPS, PHMSA
Mr. Blair Woodward, General Counsel, Cameron LNG, LLC, bwoodward@cameronlng.com
Mr. Brett A. Snyder, Counsel for Cameron LNG, LLC, Blank Rome, LLP,
bsnyder@blankrome.com

CONFIRMATION OF RECEIPT REQUESTED

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

In the Matter of)
)
)

Cameron LNG, LLC,)

CPF No. 4-2019-3001

Respondent.)
_____)

CONSENT AGREEMENT AND ORDER

WHEREAS, on July 30, 2019, the Director, Southwest Region (Director), Office of Pipeline Safety, Pipeline and Hazardous Materials Safety Administration (PHMSA), U.S. Department of Transportation, issued to Cameron LNG, LLC (CLNG or Respondent), a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Notice), pursuant to Chapter 601 of 49 U.S. Code, for alleged violations of 49 C.F.R. §§ 193.2011 (Item 1) and 193.2017 (Item 2). The Notice proposed assessing an administrative civil penalty of \$41,600 for Item 1 and ordering Respondent to take certain measures to correct Item 2; and

WHEREAS, on August 16, 2019, CLNG submitted a written response to the Notice, in which the Respondent contested both alleged violations, the proposed civil penalty, and the proposed compliance order and requested a hearing pursuant to 49 C.F.R. § 190.211. CLNG also requested a meeting with Southwest Region, which took place on or about September 4, 2019, to discuss resolution of this enforcement proceeding;

WHEREAS, subsequent settlement discussions occurred via email and teleconferences; and

WHEREAS, as result of these good-faith discussions, the Parties have reached agreement on the terms and conditions of a settlement, as set forth herein, and agree that this Consent Agreement and Order (Agreement) will avoid further administrative proceedings or litigation, that it is the most appropriate means of resolving the issues raised in the Notice, and that it will promote the public interest by advancing the enforcement and safety goals of PHMSA.

NOW, THEREFORE, upon consent and agreement of the Parties, it is Ordered and Adjudged as follows:

A. General Provisions.

1. CLNG acknowledges that, for purposes of this Agreement, the CLNG facility located in Hackberry, Louisiana, is 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.

2. CLNG further 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.

3. CLNG agrees to the terms of this Agreement and hereby waives any further procedural requirements with respect to its issuance. CLNG also waives all rights to contest the validity of this Agreement, including all rights to administrative or judicial hearings or appeals.

4. For Item 1 of the Notice, PHMSA re-issues Item 1 as a Warning Item pursuant to 49 C.F.R. § 190.205 and withdraws the associated proposed administrative civil penalty. PHMSA also agrees that Item 1 does not constitute a finding of violation and may not be considered by the agency as a prior offense in any future enforcement action against Respondent. However, if PHMSA finds a violation of this Paragraph 4 in a subsequent inspection or investigation, CLNG may be subject to future enforcement action.

5. For Item 2 of the Notice, CLNG does not contest this Item or the associated proposed compliance order, which is adopted as set forth in Section B herein.

B. Compliance Measures.

6. Within 60 days following the Effective Date of this Agreement, as specified below, Respondent agrees that it will modify its Emergency Response Procedures to ensure that all events required to be reported under 49 C.F.R. § 191.5 are adequately defined. The revised procedure must include guidance for personnel whose responsibilities include gathering appropriate information and/or reporting on what significant events meet the definition of an incident. In revising the procedures, CLNG must ensure that all appropriate training to the revised procedures is completed and documented.

7. It is requested (not mandated) that CLNG maintain documentation of the safety improvement costs associated with fulfilling this Agreement and submit the total to the Director. PHMSA requests that these costs be reported in two categories: (1) total cost associated with the preparation/revision of plans, procedures, studies and analyses; and (2) total cost associated with replacements, additions and other changes to pipeline infrastructure.

8. The Director may grant an extension of time to comply with any portion of Paragraph 6 above upon a written request timely submitted by the Respondent and demonstrating good cause for an extension. Upon completion of all actions required under Paragraph 6, CLNG may request that the Director close the case.

C. Dispute Resolution

9. The Director and CLNG will informally attempt to resolve any disputes arising under this Agreement. If Respondent and the Director are unable to informally resolve the dispute within 10 calendar days of submittal of Respondent's invoking dispute resolution, CLNG may request in writing, within 10 calendar days thereafter, a written determination resolving the dispute from the Associate Administrator for Pipeline Safety by 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 PHMSA's consideration of the 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 Director or the Associate Administrator in writing.

D. Miscellaneous.

10. Nothing in this Agreement affects or relieves CLNG 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. Furthermore, nothing in this Agreement alters PHMSA's right of access, entry, inspection, and information gathering, or its authority to bring any enforcement action against CLNG pursuant to the Federal pipeline safety laws, the regulations and orders issued thereunder, or any other provision of Federal or state law.

11. This Agreement does not waive or modify any Federal, state, or local laws or regulations applicable to CLNG's pipeline system. This Agreement is not a permit or a modification of a permit under any Federal, state, or local laws or regulations. CLNG remains responsible for achieving and maintaining compliance with all applicable Federal, state, and local laws, regulations and permits.

12. This Agreement constitutes the final, complete, and exclusive agreement and understanding between the Parties with respect to this proceeding and the issues embodied in this Agreement. The Parties acknowledge that there are no representations, agreements, or understandings relating to the amount or collection of any civil penalties other than those expressly contained in this Agreement.

13. This Agreement does not create rights in, or grant any cause of action to, any person not a party to this Agreement. PHMSA, its officers, employees, agents, and representatives are not liable for any injuries, damages or any other cause of action arising from any acts or omissions of CLNG or its contractors in carrying out any work required by this Agreement.

14. This Agreement shall apply to and be binding on PHMSA and CLNG, its officers, directors, employees, successors and assigns, including, but not limited to, subsequent purchasers.

15. Respondent's obligations pursuant to this Agreement may be enforced by PHMSA pursuant to its general enforcement authorities under 49 U.S.C. § 60101, *et seq.*, and 49 C.F.R. Part 190.

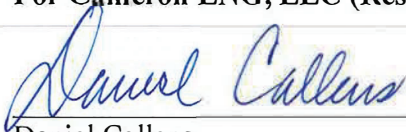
E. Effective Date.

16. The "Effective Date" is the date on which this Agreement has been signed by both CLNG and PHMSA.

F. Ratification.

17. 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.

For Cameron LNG, LLC (Respondent):



Daniel Callens
Chief Operating Officer



Date

For PHMSA:

ALAN KRAMER MAYBERRY

Digitally signed by ALAN
KRAMER MAYBERRY
Date: 2020.09.25 13:14:59
-04'00'

Alan K. Mayberry
Associate Administrator for Pipeline Safety

September 25, 2020

Date