

1200 New Jersey Avenue, SE Washington, DC 20590

April 24, 2025

### VIA ELECTRONIC MAIL TO: todd.stamm@energytransfer.com

Todd Stamm Senior Vice President, Operations Energy Transfer, LP 8111 Westchester Drive Dallas, Texas 75225

#### CPF No. 4-2023-056-NOPSO

Dear Mr. Stamm:

Enclosed please find a Consent Order incorporating the terms of the Consent Agreement between the Pipeline and Hazardous Materials Safety Administration (PHMSA) and Energy Transfer, LP, which was executed on March 21, 2025. 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,

ALAN KRAMER Digitally signed by ALAN MAYBERRY Date: 2025.04.23 14:43:09 -04'00'

Alan K. Mayberry Associate Administrator for Pipeline Safety

Enclosure: Consent Order and Consent Agreement

cc: Bryan Lethcoe, Director, Southwest Region, Office of Pipeline Safety, PHMSA

Thomas E. Long, Chief Executive Officer, Energy Transfer, LP, tom.long@energytransfer.com

Greg McIlwain, Executive Vice President, Operations, Energy Transfer, LP, gregory.mcilwain@energytransfer.com
Eric Amundsen, Senior Vice President, Operations, Energy Transfer, LP, eric.amundsen@energytransfer.com
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Todd Nardozzi, Director, DOT Compliance, Energy Transfer, LP, todd.nardozzi@energytransfer.com
Susie Sjulin, Director, DOT Compliance, Energy Transfer, LP, susie.sjulin@energytransfer.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

Mid-Valley Pipeline Company, LLC, a subsidiary of Energy Transfer, LP,

**Respondent.** 

CPF No. 4-2023-056-NOPSO

### **CONSENT ORDER**

By letter dated October 13, 2023 the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), issued a Notice of Proposed Safety Order (Notice) to Mid-Valley Pipeline Company, LLC, a subsidiary of Energy Transfer, LP (Energy Transfer, MVPL, or Respondent).

In accordance with 49 CFR § 190.239, the Notice alleged that conditions exist on the Mid-Valley Pipeline that pose an integrity risk to public safety, property, or the environment. The Notice also proposed that Respondent take certain corrective measures to remedy the alleged conditions and ensure that the public, property, and the environment are protected from the potential risk.

In response to the Notice, Respondent requested an informal consultation, whereupon the parties engaged in good-faith settlement discussions that have resulted in the Consent Agreement attached to this Consent Order that settles all of the allegations in the Notice.

Accordingly, the Consent Agreement is hereby approved and incorporated by reference into this Consent Order. Energy Transfer 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.

ALAN KRAMER MAYBERRY MAYBERRY Jate: 2025.04.23 14:42:32 -04'00'

Alan K. Mayberry Associate Administrator for Pipeline Safety April 24, 2025

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 ) Mid-Valley Pipeline Company, LLC, a subsidiary of Energy Transfer, LP, ) Respondent.

CPF No. 4-2023-056-NOPSO

#### **CONSENT AGREEMENT**

Starting on July 5, 2023, pursuant to Chapter 601 of title 49, United States Code, the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), investigated the pipeline facilities and records of Mid-Valley Pipeline Company, LLC, a subsidiary of Energy Transfer, LP (Energy Transfer, MVPL, or Respondent). The Mid-Valley Pipeline consists of approximately 1,048 miles of primarily 20- and 22-inch mainline pipeline that originates near Longview, Texas, and terminates near Samaria, Michigan. The pipeline system includes 14 pump stations and 41 breakout tanks. It was constructed in the 1950s and is designed to deliver approximately 240,000 barrels of crude oil per day to refineries in the upper Midwest.

As a result of the investigation, the Director, Southwest Region, OPS (Director), issued to Respondent, by letter dated October 13, 2023, a Notice of Proposed Safety Order (Notice). The Notice alleged that conditions exist on Respondent's pipeline system that pose a pipeline integrity risk to public safety, property, or the environment. The Notice also proposed that Energy Transfer take certain corrective measures to remedy the alleged conditions and ensure that the public, property, and the environment are protected from the alleged integrity risk.

On November 11, 2023, Energy Transfer responded to the Notice by submitting a written response and request for an informal consultation under 49 CFR § 190.239(b)(2). Informal consultation was held on December 13, 2023, February 21, 2024, and August 22, 2024.

As a result of the informal consultation, PHMSA and Respondent (the Parties) agree that settlement of this proceeding by entry into this Consent Agreement (Agreement) is the most appropriate means of resolving the issues raised in the Notice, will avoid further administrative proceedings or litigation, and is in the public interest. Therefore, pursuant to 49 CFR §

190.239(b)(2), without adjudication of any issue of law or fact, and upon consent and agreement, the Parties agree to the following terms and conditions.

### I. <u>General Provisions</u>

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 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. Respondent agrees, for purposes of this 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 Agreement.

3. 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.

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 Agreement, including all rights to administrative or judicial hearings or appeals, except for the Dispute Resolution provisions set forth herein.

5. 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.

6. 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.

7. 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. 8. 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.

9. 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.

10. 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.

11. This 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 Agreement or in future PHMSA enforcement actions.

#### II. <u>Corrective Measures:</u>

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

13. MVPL must complete reviews for improvement and effectiveness and implement necessary modifications to the Standard Operating Procedures (SOPs) identified below, which relate directly to the findings of the Root Cause Analysis (RCA) and Accident Review process completed by MVPL of the 34 accidents and 3 complaints identified by PHMSA in the Notice. MVPL must submit a redlined version of any revised (or any newly created) SOPs clearly indicating the changes implemented to address the findings of the RCA and Accident Review. The revised SOPs shall be submitted to the Director for review and approval within 120 days of the Effective Date.

- a) HLA.11 Investigation of Failures
- b) HLA.18 Operator Qualification Plan
- c) HLD.30 Internal Corrosion Monitoring and Mitigation
- d) HLI.07 Abandonment and Deactivation of Pipeline or Pipeline Systems
- e) HLI.12 Pipeline Facilities Identification

- f) HLI.13 Pigging and Pig Trap Operation
- g) HLI.21 Inspection of ROW, Crossings Under Navigable Waters, Post Extreme Weather and Natural Disasters
- h) HLI.24 Management of Depth of Cover and Evaluation
- i) HLI.29 Right of Way Maintenance
- j) HLT.05 Inspection of In-Service Breakout Tanks

With regard to its HLA.11 Investigation of Failures SOP, MVPL must include terminology and requirements consistent with § 195.402(c)(5) for investigating and analyzing pipeline accidents and failures. This SOP must specify the requirements and the documentation of the investigation methodology for performing post-accident and failure reviews to determine the cause(s) and contributing factors of the failure; a process for identifying and implementing lessons learned into its SOPs; training and qualifications; design, construction, testing, maintenance, operations and emergency response manuals, and specifications when prompted by an investigation.

In addition, its HLA.11 SOP must require coordination with the Control Center Reportable or Emergency Event Investigation process described in the Company Control Room Management Plan if controller actions are determined to have contributed to an accident. This process must involve an interview and evaluation of controller actions relative to fatigue, SCADA indications, operating procedures, training, operational changes and field equipment.

MVPL must ensure the review of the accidents detailed in the Notice that occurred within the past three (3) years utilizing the Control Center Reportable or Emergency Event Investigation process described above have taken place and perform any that did not. If, via this review, MVPL identifies the need for additional changes to any procedures, MVPL shall prepare redlined versions of the procedures clearly indicating the changes to address the findings of the review and provide to the Director for approval along with a report detailing these accident reviews within 120 days of the Effective Date.

14. MVPL must complete a review of its Hazardous Liquid Integrity Management Plan (IMP); specifically, threat identification, risk determination, and preventative and mitigative measures, necessary to reduce the pipeline integrity failures on the MVPL Pipeline system. This review must include all accident causes as determined by the RCA and accident review process completed by MVPL of the 34 accidents and 3 complaints identified by PHMSA in the Notice, including but not limited to those related to depth of cover and pipeline exposures, third party damage, internal corrosion, and Stress Corrosion Cracking (SCC). A redlined version of the revised Hazardous Liquid IMP that clearly indicates the changes implemented to address the findings of the RCA and accident review process must be submitted to the Director for review and approval within 120 days of the Effective Date.

15. MVPL must review and update its SCC program based on the SCC related failures experienced on its pipeline system and include all MVPL pipeline segments for which SCC has been identified as a threat as part of the SCC program. For SCC found in High Consequence Areas (HCAs) or could affect HCA areas, MVPL must include all data integration required by information analysis into its integrity assessments as part of its IMP. The detailed results of this assessment must be submitted to the Director for review within 150 days of the Effective Date.

16. MVPL must complete an inspection and any necessary repairs of all lateral Weld-O-Let branch connections greater than or equal to 2-inch internal diameter (ID) and subject to transverse or moment loads at all MVPL pump stations and terminals using a combination of visual examination and Non-destructive Examination (NDE) (magnetic particle inspection) to determine whether any additional and similar conditions are present that could result in a failure similar to the Cygnet Station failure that occurred on December 23, 2022. An Inspection Plan must be submitted to the Director for review and approval prior to commencing the inspections and no later than 90 days from the Effective Date. The results of the inspections, including the specific locations within each pump station and terminal where the inspections were conducted, and documentation of any necessary repairs, must be submitted to the Director within 180 days of approval of the Inspection Plan.

17. MVPL must execute the Company Condition Based Monitoring Plan in accordance with the API 570 program to visually inspect all aboveground piping and fittings at all MVPL pump stations and terminals to identify defects such as cracks, corrosion, and mechanical damage that require repair, replacement or monitoring. The results of the inspections, including the specific locations within each pump station or terminal where the inspections were conducted, and documentation of any necessary repairs, must be submitted to the Director within 180 days of approval of the Inspection Plan required by Corrective Measure 16 so that MVPL may complete the requirements of Corrective Measures 16 and 17 concurrently.

18. A review of the internal corrosion program for all MVPL pump stations and terminals, SOP HLD.30 Internal Corrosion Monitoring and Mitigation, must be conducted, including a review of any updated versions of this SOP developed in accordance with the required actions identified under Corrective Measure 13 of this Order. This program review must include but is not limited to the following:

- 1. For all MVPL pump stations and terminals, identify facilities that have been idled, have low flow rate piping, or have been abandoned, ensure all applicable SOPs are properly followed, and ensure; 1) risks associated with this piping are being addressed; and 2) regularly scheduled inspections and maintenance including periodic operation or flushing of low flow rate piping are being conducted at these facilities. This process shall also include identification of dead leg piping within MVPL pump stations and terminals, and evaluation of such for potential inclusion in a removal program.
- 11. Define and implement preventative measures to detect and prevent internal corrosion and take corresponding action at all MVPL pump stations and terminals. In carrying out this corrective action, MVPL must:
  - 1. Perform appropriate periodic inspections for internal corrosion of facility piping and appurtenances at all MVPL pump stations and terminals. Inspections will be accomplished in accordance with the Company Condition Based Monitoring Program in accordance with API 570.
  - 2. Implement a comprehensive internal corrosion growth rate monitoring program using coupons and testing of the commodity for residuals of

injected chemicals to ensure appropriate injection points and concentrations at all MVPL pump stations and terminals.

- 3. Make modifications to the internal corrosion program as necessary, such as the types and locations chemical injections, inspections of nonpiggable lines, sumps, and other facilities that may be susceptible to internal corrosion, at all MVPL pump stations and terminals.
- 111. Implement performance measures to evaluate the effectiveness of the internal corrosion program at all MVPL pump stations and terminals.
- iv. Develop a written report that includes, at a minimum, any findings, determinations, and measures implemented pursuant to items (i) through (iii) above and describes the changes made at MVPL pump stations and terminals to ensure the optimum performance of the internal corrosion control program. This report must be submitted to the Director for review within 180 days of the Effective Date.
- v. Every 6 months, after the date of submission of the report required by item (iv), and for the period of time through closure of the Order, submit a report to the Director that includes the coupon locations, coupon measurements, chemical injection sites, types, quantities, and concentrations of injected chemicals, tests, and locations for determining residual concentrations of injected chemicals at all MVPL pump stations and terminals. The report must include the methods, locations, and results of all inspections made to determine any effects of internal corrosion, and the timing of any associated remedial measures identified to prevent failures due to internal corrosion.

19. MVPL must identify all locations where PLIDCO bolt on repair clamps have been installed on the mainline pipe and identify the schedule for making permanent repairs at these locations. A detailed written report of this review must be submitted to the Director within 120 days of the Effective Date.

20. MVPL must review and evaluate the pump station control logic at each MVPL pump station to ensure that the configuration prevents unordered startups, and that station shutdowns will occur properly based on appropriate alarm conditions. In addition, at each pump station, MVPL must ensure that all valves are in the proper positions for the pumps to start. The control logic at MVPL pump stations must be corrected, if necessary, based upon this review. A detailed written report on this review, the findings, and any corrections and changes to the control logic or circuits must be submitted to the Director within 120 days of the Effective Date.

21. MVPL must identify the locations of all pipeline segments that are exposed or currently have less than 24 inches of cover and determine whether these segments are in HCAs or could affect HCAs. For any segments that are exposed or have less than 24 inches of cover and are in HCA and could affect HCA areas, MVPL must identify the current land usage in that area, the IMP risk assignment relating to potential outside force damage to the pipeline, the justification for the risk assigned, and any preventative and mitigative measures that have been implemented or that will be implemented due to this effort. MVPL must also provide records showing the results of the two (2) most recent atmospheric corrosion inspections performed per its SOP HLD.44 Atmospheric Corrosion Inspection. However, for exposures discovered within the three

years prior to the Effective Date, only one (1) atmospheric corrosion inspection will be provided.<sup>1,2</sup> A detailed report of the identifications, determinations, and justifications made pursuant to this Corrective Measure must be submitted to the Director within 90 days of the Effective Date. MVPL must ensure that all exposed and shallow cover segments will be managed per its SOP HLI.24 Management of Depth of Cover and Evaluation and its IMP, including any updated versions of these documents as determined in accordance with the required actions identified under Corrective Measure 13.

22. For all exposed MVPL segments in or adjacent to stream crossings located in HCAs, MVPL must identify the location of these segments, the length of the exposure, and identify actions that have been taken to mitigate the risk associated with the exposure. MVPL also must provide the .IMP risk assignment for these stream exposures and describe the preventative and mitigative measures that have been implemented due to this effort. A report detailing the identifications and findings made pursuant to this Corrective Measure must be submitted to the Director within 90 days of the Effective Date. MVPL must ensure that all exposed segments in or adjacent to stream crossings located in HCAs will be managed per its SOP HL1.24 "Management of Depth of Cover and Evaluation" and its IMP, including any updated versions of these documents, as determined via the required actions identified under Corrective Measure 13 above.

23. MVPL must identify the location, date of discovery, and details of all encroachments on the MVPL rights-of-way, that include but are not limited to buildings, poles, debris, or any other items that may obscure the pipeline from patrolling activities or limit access to the pipeline during emergency response or routine maintenance activities. MVPL must provide a detailed written report to the Director, which describes the locations and details of these encroachments, a description of actions planned to be taken to address each encroachment, and the target dates for completion of such actions, within 150 days of the Effective Date. MVPL must then ensure that all identified encroachments will be managed per its SOP HLI.28 "Right of Way Encroachments" including any updated version of this document as modified via the required actions identified under Corrective Measure 13 above.

24. MVPL must provide a report that details the right-of-way maintenance program, which includes an explanation of, and the location of, any alternative patrolling measures employed if and when the right-of-way is obscured in a manner such that aerial patrol may not be effective. The report must be submitted to the Director within 120 days of the Effective Date. MVPL must manage its maintenance program per its SOP HLI.29 "Right of Way Maintenance" including any updated version of this document as determined via the required actions identified under Corrective Measure 13 above.

25. MVPL must perform an inspection of the adequacy and placement of its right-ofway pipeline markers along the entire MVPL system within 120 days of the Effective Date. MVPL

<sup>&</sup>lt;sup>1</sup> MVPL inspects exposed sections of pipe for atmospheric corrosion in compliance with the requirements of 49 CFR § 195.583(a) for onshore locations at least once every 3 calendar years, but with intervals not exceeding 39 months. For any newly or recently (within the prior 3 calendar years/not to exceed 39 months) identified exposures only the initial atmospheric corrosion inspection will be available.

<sup>&</sup>lt;sup>2</sup> The MVPL system includes areas of designed exposures which are protected within a casing. Atmospheric corrosion inspections per SOP HLD.44 are not performed for these designed exposures.

must, as a component of this inspection, replace all damaged or missing pipeline markers per its SOP HLI.12 "Pipeline Facilities Identification." A report detailing the results of this inspection, including the locations of missing or damaged pipeline markers and locations requiring additional pipeline markers needed to meet the requirements of 195.410 and the MVPL right-of-way line marker program, must be submitted to the Director within 60 days of completion of this inspection. MVPL must manage its pipeline marker program per its SOP HLI.12 "Pipeline Facilities Identification" including any updated version of this document, as determined via the required actions identified under Corrective Measure 13 above.

26. MVPL must submit a detailed written description of the aerial patrolling performed to comply with the requirements of § 195.412. This description must include the frequency of patrolling, the actions taken when spotting activity or equipment on the MVPL rights-of-way, encroachments, releases, rights-of-way conditions that may limit the effectiveness of the aerial patrol, or any other potential threats. This description must also include a complete description of how the patrol pilot identifies the specific locations on the MVPL rights-of-way for the conditions identified above. A report of this information must be submitted to the Director within 120 days of the Effective Date. MVPL must manage its rights-of-way patrolling per its SOP HLI.21 "Inspection of ROW, Crossings Under Navigable Waters, Post Extreme Weather & Natural Disasters" including any updated version of this document as determined via the required actions identified Corrective Measure 13 above.

27. MVPL must submit a written description of the training provided to pump station and terminal operations personnel to the Director within 120 days of the Effective Date. The training provided to personnel pursuant to this Corrective Measure must provide for required inspection actions and expected follow-up actions to be performed that are intended to identify and address issues prior to failure.

28. *Extensions of Time.* The Director may grant an extension of time for compliance with any of the terms of the Agreement upon a written request timely submitted demonstrating good cause for an extension. The Director shall respond in writing to any such request.

29. It is requested (not mandated) that Energy Transfer maintain documentation of the safety improvement costs associated with fulfilling this Safety Order and submit the total to Mr. Bryan Lethcoe, Director, Southwest Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies, and analyses, and 2) total cost associated with replacements, additions, and other changes to pipeline infrastructure.

#### III. <u>Review and Approval Process:</u>

30. With respect to any submission under Section II (Corrective Measures) of this Agreement that requires the approval of the Director, the Director may: (a) approve, in whole or in part, the submission; (b) approve the submission on specified, reasonable conditions; (c) disapprove, in whole or in part, the submission; or (d) any combination of the foregoing. If the Director approves, approves in part, or approves with conditions, Respondent will take all actions as approved by the Director, subject to Respondent's right to invoke the dispute

resolution procedures with respect to any conditions the Director identifies. If the Director disapproves all or any portion of the submission, the Director will provide Respondent a written notice of the deficiencies. Respondent will correct all deficiencies within the time specified by the Director and resubmit it for approval.

## IV. <u>Dispute Resolution:</u>

31. 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 Section II (Corrective Measures). 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 for Pipeline Safety. Such request must be made in writing and provided to the Director, counsel for the Southwest 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.

### V. <u>Enforcement:</u>

32. 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, ofup to \$266,015 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 II are automatically incorporated into this Agreement and are enforceable in the same manner.

# VI. <u>Effective</u> Date:

33. 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.

#### VII. Recordkeeping and Information Disclosure:

34. 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 confidentially. 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.

# VIII. Modification:

35. 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.

#### IX. <u>Termination:</u>

36. This Agreement will remain in effect until the Corrective Measures in Section II are 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.

#### X. <u>Ratification:</u>

37. 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.

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

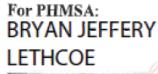
[Signature Lines on Following Page]

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For Energy Transfer, LP:

Todd Stamm, Senfor Vice President - Operations

3.21.25 Date



Digitally signed by BRYAN JEFFERY LETHCOE Date: 2025.03.21 09:25:49 -05'00'

Director, Southwest Region, Office of Pipeline Safety

March 21, 2025

Date