

June 4, 2025

VIA ELECTRONIC MAIL TO: pierce.norton@oneok.com

Pierce Norton
President & Chief Executive Officer
ONEOK NGL Pipeline, LLC
100 West Fifth Street
Tulsa, Oklahoma 74103

CPF No. 4-2024-036-NOPV

Dear Mr. Norton:

Enclosed please find a Consent Order incorporating the terms of the Consent Agreement between the Pipeline and Hazardous Materials Safety Administration (PHMSA) and ONEOK NGL Pipeline, LLC, which was executed on May 1, 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 K. Mayberry
Associate Administrator
for Pipeline Safety

Enclosure: Consent Order and Consent Agreement

cc: Brent Theede, Regulatory Compliance Supervisor, brent.theede@oneok.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	)	
	)	
ONEOK NGL Pipeline, LLC,	)	CPF No. 4-2024-036-NOPV
	)	
Respondent.	)	
	)	

CONSENT AGREEMENT

From March 21 through December 27, 2023, 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 ONEOK NGL Pipeline, LLC's (ONEOK or Respondent) natural gas liquids (NGL) and liquefied petroleum gas pipeline facilities in Kansas, Missouri, Iowa, Indiana, and Illinois.

As a result of the inspection, the Director, Southwest Region, OPS (Director), issued to Respondent, by letter dated October 22, 2024, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 CFR § 190.207, the Notice proposed finding that ONEOK committed two violations of 49 CFR Part 195 (Items 1 and 2), and proposed ordering Respondent to take certain measures to correct the alleged violations.

ONEOK responded to the Notice by letter dated November 21, 2024 (Response). Respondent contested one of the alleged violations and its proposed compliance order, and requested a hearing on that item. ONEOK 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 withdraws Item 1, makes a finding of violation for Item 2 as alleged in the Notice, and by which Respondent agrees to 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 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. Finding of Violation:

11. *Item 2 - 49 CFR § 195.452(h)(1)*: The Notice alleged that ONEOK failed to take prompt action to address all anomalous conditions in its pipeline it discovered through its information analysis in accordance with section 195.452(h)(1). Specifically, the Notice alleged that ONEOK failed to promptly remediate external corrosion issues (AC related) after it discovered a leak due to AC stray current induced corrosion and after several inspections identified AC pipe-to-soil voltages greater than 15 volts over consecutive years on pipeline segment 11107 (PL107 Morris to Lemont 10 in) of North System. Respondent does not contest the allegation of violation as alleged in the Notice. As such, PHMSA finds a violation of 49 CFR §195.452(h)(1).

12. Item 2 will be considered by PHMSA as a prior offense in any future PHMSA enforcement action taken against Respondent.

III. Item Withdrawn:

13. *Item 1 - 49 CFR § 195.452(i)(4)*: With respect to Item 1 of the Notice, the Parties agree that this item should be withdrawn following further review of ONEOK's emergency flow restricting device (EFRD) evaluation process. Because this item is withdrawn, it will not constitute a finding of violation for any purpose, but Respondent agrees to take the corrective actions in paragraph 14. The allegation of violation for Item 1 is withdrawn.

IV. Compliance Order:

14. **Item 1:** The Notice proposed certain compliance order actions to address the non-compliance alleged in the Notice. Following informal consultation, the Parties agreed to the following modified actions to be taken by Respondent to improve its procedures. As such, Respondent agrees to:

- a. Amend its procedure, *NGL IMP Procedure 71 Revision 4: EFRD Evaluation* (Feb. 7, 2023) (EFRD Procedure) to include a technical justification for performing EFRD scenario analyses on segments in the top 50 percent of baseline risk scores, and to include periodic reviews of that justification to ensure it remains valid.
- b. Amend its EFRD Procedure to explicitly document the decision-making process, including formal documentation of meetings where a decision is made to install or not install EFRDs, and to retain associated documentation for the life of the pipeline.
- c. Amend its EFRD Procedure to remove, or to clarify the technical basis for, the phrase “Additional risk which may be incurred by adding EFRDs,” in sections 4.2.5.2 and 4.2.5.3.
- d. Submit its updated EFRD Procedure and records supporting the technical justification referenced in paragraph 14.a. to the Director within **120** days after the Effective Date.
- e. Inform the Director whether the changes in paragraphs 14.a. through 14.d. prompted an analysis and determination to install any new EFRDs, and, if applicable, provide the associated EFRD installation schedule within **150** days after the Effective Date.

15. **Item 2:** The Notice proposed certain compliance order actions to address the non-compliance alleged in the Notice. Respondent did not contest the Proposed Compliance Order. As such, Respondent agrees to:

- a. Provide its AC interference remediation plan to the Director within **30 days** after the Effective Date and complete the remediation and provide associated records of the remediation to the Director within **120 days** after the Effective Date.

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. Review and Approval Process:

17. With respect to any submission under Section IV (Compliance Order) 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.

VII. Dispute Resolution:

18. 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) and VI (Review and Approval Process). 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 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.

VIII. Effective Date:

19. 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.

IX. Recordkeeping and Information Disclosure:

20. 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.

X. Modification:

21. 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.

XI. Termination:

22. 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.

XII. Ratification:

23. 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.

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

[Signature Lines on Following Page]

For ONEOK NGL Pipeline, LLC:

Charles Misak, Director – Asset Integrity & Engineering, Pipeline Safety Compliance

Date

For PHMSA:

Bryan Lethcoe, Director, Southwest Region, Office of Pipeline Safety

Date