

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 8\_\_\_\_\_  
IN THE MATTER OF:) Docket No. CAA-08-2025-0002  
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ARROW PIPELINE, LLC

) **CONSENT AGREEMENT**  
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)**Respondent.**  
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Complainant, the authorized representative of the United States Environmental Protection Agency (the EPA), and Respondent, Arrow Pipeline, LLC (collectively, the Parties), by their undersigned representatives, hereby consent and agree as follows:

**I. PRELIMINARY STATEMENT**

1. This is an administrative penalty assessment proceeding brought under section 113(d) of the Clean Air Act (CAA or the Act), 42 U.S.C. § 7413(d), and sections 22.13 and 22.18 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), as codified at 40 C.F.R. part 22.

2. The EPA and Respondent, having agreed settlement of this action is in the public interest, consent to the entry of this consent agreement (Agreement) without adjudication of any issues of law or fact herein, and Respondent agrees to comply with the terms of this Agreement.

**II. JURISDICTION**

3. This Agreement is entered into under the authority vested in the Administrator of the EPA by section 113(d) of the Act, 42 U.S.C. § 7413(d). The undersigned EPA official has been duly authorized to institute this action.

4. The EPA and the United States Department of Justice jointly determined this matter, although it involves alleged violations that occurred more than one year before the initiation of this proceeding, is appropriate for an administrative penalty assessment, as authorized by section 113(d)(1) of the CAA, 42 U.S.C. § 7413(d), 40 C.F.R. § 19.4.

5. In satisfaction of the notice requirements of section 113(a)(4) of the Act, 42 U.S.C. § 7413(a)(4), on June 6, 2024, the EPA issued to Respondent a notice of violation (NOV) and provided a copy of the NOV to the MHA Nation, providing notice to both that the EPA found Respondent committed the alleged violations described in section V of this Agreement and providing Respondent an opportunity to confer with the EPA.

6. The Regional Judicial Officer is authorized to approve this Agreement with a final order. 40 C.F.R. §§ 22.18(b), 22.4(b).

7. The final order approving this Agreement simultaneously commences and concludes this proceeding. 40 C.F.R. § 22.13(b).

### **III. GOVERNING LAW**

8. The Act's purpose is "to protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare and the productive capacity of its population." 42 U.S.C. § 7401(b)(1).

#### **A. Title V Program V-TAT-0003637-2015.01 for Compressor Stations 1-6**

9. Title V of the Act, 42 U.S.C. §§ 7661-7661f, and the implementing regulations at 40 C.F.R. part 70, established an operating permit program for certain sources, including "major sources" of air pollution, as defined in 42 U.S.C. § 7661(2).

10. Section 502(a) of the Act, 42 U.S.C. § 7661a(a), provides that it is unlawful for any person to, among other things, operate a major source subject to Title V except in

compliance with a Title V permit after the effective date of any permit program approved or promulgated under Title V of the Act.

11. Pursuant to section 113(a)(3) of the Act, 42 U.S.C § 7413(a)(3), violations of the Title V program requirements and permits are subject to federal enforcement.

12. EPA issued a Title V permit (Title V Permit) V-TAT-000367-2015.01 to Respondent for Compressor Stations 1, 2, 3, 4, 5, and 6 with an effective date of May 10, 2021.

13. Section III of the Title V Permit incorporates applicable requirements of 40 C.F.R. Part 60, Subpart OOOOa related to fugitive emissions affected facilities. The following requirements are relevant to this Agreement:

- a. Pursuant to section III.B of the Title V Permit, at all times, including during startup, shutdown and malfunction, Respondent shall maintain and operate any affected facility including air pollution control and monitoring equipment in a manner consistent with good air pollution control practices for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the EPA which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures and inspection of the source.
- b. Pursuant to section III.C of the Title V Permit, Respondent shall reduce volatile organic compounds (VOC) emissions by complying with the requirements in 40 C.F.R. §§ 60.5397a(a)-(j) within 60 days of the start of production and monitoring quarterly thereafter the initial survey at the compressor station.

- c. Pursuant to section III.E of the Title V Permit, Respondent shall demonstrate continuous compliance for each collection of fugitive emission components according to 40 C.F.R. § 60.5415a(h).

14. Section V of the Title V Permit incorporates applicable requirements of the Synthetic Minor New Source Review Permit issued by the EPA on July 20, 2021, in accordance with the requirements at 40 C.F.R. § 49.158. The following requirements are relevant to this Agreement:

- a. Pursuant to section V.B.2(e) of the Title V Permit, Respondent shall monitor the pressure drop across each catalyst bed at its engines during normal operations on a monthly basis.
- b. Pursuant to section V.B.2(f) of the Title V Permit, during operation, the pressure drop across the catalyst bed on each engine shall be maintained to within 2 inches of water from the baseline pressure drop reading taken during the most recent performance test.
- c. Pursuant to section V.B.2.(g) of the Title V Permit, if the pressure drop exceeds 2 inches of water from the baseline pressure drop reading taken during the most recent performance test, Respondent shall take corrective action to address the problem or cease operating the engine.
- d. Pursuant to section V.B.3(c)(i) of the Title V Permit, for all performance tests performed for NO<sub>x</sub>, CO, VOC, and CH<sub>2</sub>O emissions at engines, the pressure drop across each catalyst and the inlet temperature to the catalyst shall both be measured.

- e. Pursuant to section V.B.6(d) of the Title V Permit, records shall be kept of all pressure drop measurements required in this permit, as well as a description of any corrective action taken pursuant to the permit.
- f. Pursuant to section V.C.4(a) of the Title V Permit, Respondent shall limit tank emissions by routing all working, breathing and flashing losses through a closed-vent system to an operating system designed to recover and inject the emissions into a natural gas gathering pipeline system for sale or other beneficial purpose.
- g. Pursuant to section V.C.4(b) of the Title V Permit, Respondent shall limit tank emissions by routing all working, breathing and flashing losses through a closed-vent system to a control device as specified in the permit.
- h. Pursuant to section V.C.5 of the Title V Permit, Respondent shall equip all openings on each tank with a cover to ensure that all hydrocarbon emissions are efficiently being routed through a closed-vent system to a natural gas pipeline system for sale or other beneficial purpose and/or a control device as specified in this permit.

Specifically, Respondent must ensure that:

- i. Each cover and all openings on the cover (e.g., access hatches, sampling ports, pressure relief valves and gauge wells) form a continuous impermeable barrier over the entire surface area of the tanks. Section V.C.5(a) of the Title V Permit.
- ii. Each cover opening of each tank shall be secured in a closed, sealed position (e.g., covered by a gasketed lid or cap) whenever material is in a tank on which the cover is installed except during those times when it is necessary to use an opening. Section V.C.5(b) of the Title V Permit.

iii. Each thief hatch cover on a tank shall be weighted and properly seated. Section V.C.5(c) of the Title V Permit.

iv. Pressure relief valves shall be set to release at a pressure that will ensure that all hydrocarbon emissions are routed through the closed-vent system to a natural gas pipeline system for sale or other beneficial purpose and/or a control device as specified in the MNSR permit under normal operating conditions.  
Section V.C.5(d) of the Title V Permit.

i. Pursuant to section V.D.2(f)(vii) of the Title V Permit, each enclosed combustor and utility flare must be operated with no visible smoke emissions, as defined in EPA Reference Method 22 of 40 C.F.R. part 60, Appendix A.

**B. Synthetic Minor Source Permit to Construct (#SMNSR-TAT-000661-2017.003) for Compressor Station #7**

15. The Federal Minor New Source Review Program in Indian Country, 40 CFR § 49.151-165, satisfies the requirements of section 110(a)(2)(C) of the Act, 42 U.S.C. § 7410, by establishing a preconstruction permitting program for all new and modified minor sources (minor sources) and minor modifications at major sources located in Indian country. 40 C.F.R. § 49.151(b)(1).

16. Section 502(a) of the Act, 42 U.S.C. § 7661a(a), provides that it is unlawful for any person to, among other things, operate any source required to have a permit under the Prevention of Significant Deterioration of Air Quality in Part C of Subchapter I, except in compliance with a permit issued by a permitting authority under Subchapter V – Permits.

17. Pursuant to section 113(a)(3) of the Act, 42 U.S.C § 7413(a)(3), violation of any permit issued under Subchapter V of the Act is subject to federal enforcement.

18. Respondent applied for a Synthetic Minor Permit to Construct to establish emission limits to avoid the requirements of the Prevention of Significant Deterioration (PSD) Permitting Program at 40 C.F.R. part 52 with respect to volatile organic compound (VOC), nitrogen oxide (NO<sub>x</sub>), and carbon monoxide (CO) emissions and greenhouse gas (GHG) emissions, and to ensure the construction of the project remained a minor source of hazardous air pollutants (HAPs). The EPA issued Tribal Minor New Source Review Synthetic Minor permit SMNSR-TAT- 00661-2017.003 for Compressor Station 7 on January 10, 2018 (SMNSR Permit).

19. The following requirements of the SMNSR Permit are relevant to this Agreement:

- a. Pursuant to section I.D.2.(f) of the SMNSR Permit, during operation, the pressure drop across the catalyst bed on each engine shall be maintained to within +/- 2 inches of water from the baseline pressure drop measured during the most recent performance test.
- b. Pursuant to section I.D.4(c) of the SMNSR Permit, Respondent shall monitor the pressure drop across the catalyst bed on each engine every 30 days using pressure sensing devices before and after the catalyst bed to obtain a direct reading of the pressure drop.
- c. Pursuant to section I.D.4(g) of the SMNSR Permit, if the pressure drop exceeds 2 inches of water from the baseline pressure drop reading taken during the most recent performance test, Respondent shall investigate and take corrective action to address the problem or cease operating the engine.

- d. Pursuant to section I.D.5(d) of the SMNSR Permit, engine records shall be kept of all pressure drop measurements required in the permit as well as a description of any corrective actions taken pursuant to the permit.
- e. Pursuant to section I.E.1 of the SMNSR Permit, all natural gas condensate tanks and produced water storage tanks are subject to the requirements of the SMNSR Permit.
- f. Pursuant to section I.E.2 of the SMNSR Permit. Respondent shall follow, for each tank, the manufacturer's recommended maintenance schedule and procedures or equivalent procedures developed by Respondent or vendor to ensure good air pollution control practices for minimizing hydrocarbon emissions.
- g. Pursuant to section I.E.5. of the SMNSR Permit, Respondent shall limit the hydrocarbon emissions from handling natural gas condensate using one or more of the following techniques:
  - i. Route all hydrocarbon emissions through a closed-vent system to an operating system designed to recover and inject the emissions into a natural gas gathering pipeline system for sale or other beneficial purpose; and/or
  - ii. Route all hydrocarbon emissions through a closed-vent system to a control device as specified in the permit.
- h. Pursuant to section I.E.6. of the SMNSR Permit, Respondent shall equip all openings on each natural gas condensate tank with a cover to ensure that all hydrocarbon emissions are efficiently being routed through a closed-vent system to a natural gas pipeline system for sale or other beneficial purpose and/or a control device as specified in the permit.



- i. Pursuant to section I.E.6(a) of the SMNSR Permit, Respondent shall ensure that each cover and all openings on the cover (e.g., access hatches, sampling ports, pressure relief valves, and gauge wells) form a continuous impermeable barrier over the entire surface area of the tanks.
- j. Pursuant to section I.E.6(b) of the SMNSR Permit, each cover opening shall be secured in a closed, sealed position (e.g., covered by a gasketed lid or cap) wherever material is in a tank on which the cover is installed.
- k. Pursuant to section I.E.6(c) of the SMNSR Permit, each thief hatch cover shall be weighted and properly seated.
- l. Pursuant to section I.E.6(d) of the SMNSR Permit, pressure relief valves shall be set to release at a pressure that will ensure that all hydrocarbon emissions are routed through the closed-vent system to a natural gas pipeline system for sale or other beneficial purpose and/or a control device.
- m. Pursuant to section I.F.1. of the SMNSR Permit, Respondent shall meet the following requirements for closed-vent systems:
  - i. Each closed-vent system shall route all hydrocarbon emissions from the natural gas condensate tanks to a natural gas pipeline system for sale or other beneficial purpose and/or a control device as specified in this section of the permit. Section 1.F.1(a) of the SMNSR Permit.
  - ii. Each closed vent system shall be designed to operate with no detectable hydrocarbon emissions, as required in the Requirements for Equipment Leaks from Closed Vent Systems section of the SMNSR Permit. Section 1.F.1(c) of the SMNSR Permit.

20. Pursuant to I.I.1 of the SMNSR Permit, Respondent shall minimize leaks of hydrocarbon gases from each vent line, connection, fitting, valve, pressure relief device, or any other appurtenance employed to contain and collect hydrocarbon emissions to transport them such that the emission limits in the permit are met.

#### **IV. STIPULATED FACTS**

21. Respondent is a limited liability company doing business in the State of North Dakota and on the Fort Berthold Indian Reservation.

22. Respondent is a “person” within the meaning of section 302(e) of the Act. 42 U.S.C § 7602(e).

23. Respondent owns or operates the natural gas Compressor Stations subject to this Agreement.

24. EPA inspected Compressor Stations 1, 2, 3, 4, 5, and 7 on June 15, 2023.

25. During the inspection, EPA inspectors observed smoke from the flare located at Compressor Station 2 and conducted EPA Reference Method 22 testing from 11:21 AM to 11:22 AM. Continuous smoke was observed for the full minute.

26. During the inspection, EPA inspectors observed and recorded hydrocarbon emissions from the top of natural gas condensate storage tanks at Compressor Station 2 and Compressor Station 7 with a Forward Looking Infrared (FLIR) camera.

27. EPA sent inspection reports for Compressor Stations 1, 2, 3, 4, 5 and 7 to Respondent via email on September 21, 2023.

28. On the date of the EPA inspection of Compressor Stations 1, 2, 3, 4, 5, and 7 on June 15, 2023, at all times prior to November 3, 2023, and with respect to all allegations

stated in section V of this Agreement, Respondent was under prior organizational ownership.

## **V. ALLEGED VIOLATIONS OF LAW**

29. Based on the EPA's inspection on June 15, 2023, and data provided by Respondent, the EPA alleges the following Title V Permit violations at Compressor Stations 1, 2, 3, 4, and 5:

- a. Respondent failed to measure the pressure drop across each catalyst when it conducted performance testing for engine unit 162 at Compressor Station 1 in May 2022, and engine unit 562 at Compressor Station 5 in January 2022. Each incomplete performance test is a separate violation of section V.B.3(c)(i) of the Title V Permit.
- b. Respondent failed to maintain pressure drop across the catalyst bed at multiple engines at Compressor Stations 1, 2, 3, 4, and 5 to within 2 inches of water from the baseline pressure drop reading taken during the most recent performance test at the following engines, in violation of sections V.B.2(f) and V.B.2(g) of the Title V Permit:
  - i. Compressor Station 1, engine unit 161 in September, October, and November of 2022, and January, February, March, April, and May of 2023;
  - ii. Compressor Station 1, engine unit 163 in October, November, and December of 2022, and March and April of 2023;
  - iii. Compressor Station 2, engine unit 260 in April and June of 2023;
  - iv. Compressor Station 2, engine unit 263 in September, November, and December of 2022 and April and May of 2023;

- v. Compressor Station 3, engine unit 360 in October, November, and December of 2022 and in January, February March, April, May and June of 2023;
  - vi. Compressor Station 3, engine unit 361 in October, November, and December of 2022 and in January, February, March, May and June of 2023;
  - vii. Compressor Station 3, engine unit 362 in October, November, and December of 2022 and in January of 2023;
  - viii. Compressor Station 4, engine unit 460 in September and December of 2022 and in February, March, April, and May of 2023;
  - ix. Compressor Station 4 engine unit 461 in October, November, and December of 2022 and in January, February, March, April, and May of 2023;
  - x. Compressor Station 4, engine unit 462 in November and December of 2022 and January of 2023;
  - xi. Compressor Station 4, engine unit 463 in September of 2022 and June of 2023;
  - xii. Compressor Station 5, engine unit 560 in April of 2023;
  - xiii. Compressor Station 5, engine unit 561 in October, November, and December of 2022 and January, February, March, and April of 2023; and
  - xiv. Compressor Station 5, engine unit 562 in September, October, November, and December 2022, and February, March, May, and June of 2023.
- c. Respondent failed to monitor and/or maintain records for engine pressure drop across each catalyst bed for engine unit 260 at Compressor Station 2 in April and June of 2023, and engine unit 263 at Compressor Station 3 in April, May, and June of 2023. Each failure to monitor is a separate violation of section V.B.2.(e) of the Title

V Permit. Each failure to maintain records is a separate violation of section V.B.6(d) of the Title V Permit.

- d. Respondent failed to operate the flare with no visible smoke emissions, as defined in EPA Reference Method 22 of 40 CFR part 60, appendix A, in violation of section V.D.2.(f)(vii) of the Title V Permit.
- e. Respondent failed to properly route working, breathing, and flashing losses through a closed-vent system at Compressor Station 2, in violation of sections III.B, III.C, III.E, V.C 4.(a) and (b), V.C. 5(a),(b),(c) and (d) of the Title V Permit.
- f. Respondent failed to maintain pressure drop across the catalyst bed at Compressor Station 7, engine unit 760, to within 2 inches of water from the baseline pressure drop reading taken during the most recent performance test, in violation of section I.D.2(f) and I.D.4(g) of the SMNSR Permit in September, October, November, December of 2022, and in April, May, and June of 2023.
- g. Respondent failed to monitor and/or maintain records for each engine pressure drop across each catalyst bed for engine unit 761 at Compressor Station 7 in December, January, March, and June of 2023. Each failure to monitor is a separate violation of section I.D.4.(c) of the SMNSR Permit. Each failure to maintain records is a separate violation of section I.D.5.(d) of the SMNSR Permit.
- h. Respondent failed to properly route working, breathing, and flashing losses through a closed-vent system at Compressor Station 7 in violation of sections I.E. 2, 5 and 6, I.F.1(a), I.F.1(c), and I.I.1 of the SMNSR Permit.

## **VI. TERMS OF CONSENT AGREEMENT**

30. For the purpose of this proceeding, Respondent:

- a. admits the facts in section IV of this Agreement;
- b. admits the jurisdictional allegations in section II of this Agreement;
- c. neither admits nor denies the factual allegations stated in section V of this Agreement;
- d. consents to the assessment of a civil penalty as stated below;
- e. consents to the issuance of any specified compliance or corrective action order;
- f. acknowledges this Agreement constitutes an enforcement action for purposes of considering Respondent's compliance history in any subsequent enforcement actions;
- g. waives any rights or defenses that respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of the final order accompanying the Agreement;
- h. waives any and all available rights to judicial or administrative review or other remedies Respondent may have, with respect to any issue of fact or law or any terms and conditions set forth in this Consent Agreement, including any right of judicial review under the Administrative Procedure Act, 5 U.S.C. §§ 701–706; and
- i. waives any rights it may possess at law or in equity to challenge the authority of EPA to bring a civil action in a United States District Court to compel compliance with the Agreement and to seek an additional penalty for such noncompliance, and agrees that federal law shall govern in any such civil action.

31. Civil Penalty. Section 113(d)(1), 42 U.S.C. § 7413(d)(1), authorizes EPA to assess a civil penalty in this matter.

32. To determine the amount of the civil penalty, the EPA considered the size of Respondent's business, the economic impact of the penalty on the business, Respondent's full compliance history and good faith efforts to comply, the duration of the violations as

established by any credible evidence, payment by the Respondent of penalties previously assessed for the same violations, the economic benefit of noncompliance, the seriousness of the violations, and such other factors as justice may require. 42 U.S.C. § 7413(e)(1).

33. Respondent agrees to pay a civil penalty of \$450,000.00 (Assessed Penalty) to the United States within 30 calendar days after the date the Final Order ratifying this Agreement is filed with the Regional Hearing Clerk (Filing Date).

34. Respondent shall pay the Assessed Penalty and any interest, fees, and other charges due using any method, or combination of appropriate methods, as provided on the EPA website: <https://www.epa.gov/financial/makepayment>. For additional instructions see: <https://www.epa.gov/financial/additional-instructions-making-payments-epa>.

35. When making a payment, Respondent shall:

- a. Identify payment with Respondent's name and the docket number that appears on the final order.
- b. Concurrently with payment or within 24 hours of payment, Respondent shall serve proof of such payment to the following persons:

U.S. Environmental Protection Agency  
Regional Hearing Clerk  
Via electronic mail to:  
[R8\\_Hearing\\_Clerk@epa.gov](mailto:R8_Hearing_Clerk@epa.gov)

U.S. Environmental Protection Agency  
Youn Joo Kim  
Via electronic mail to:  
[Kim.YounJoo@epa.gov](mailto:Kim.YounJoo@epa.gov)

and

U.S. Environmental Protection Agency  
Cincinnati Finance Center  
Via electronic mail to:

[CINWD\\_AcctsReceivable@epa.gov](mailto:CINWD_AcctsReceivable@epa.gov)

“Proof of payment” means, as applicable, a copy of the check, confirmation of credit card or debit card payment, or confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that payment has been made according to EPA requirements, in the amount due, and identified with the appropriate docket number and Respondent’s name.

36. Interest, Charges, and Penalties on Late Payments. Pursuant to 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondent fails to timely pay the full amount of the Assessed Penalty per this Agreement, EPA is authorized to recover, in addition to the amount of the unpaid Assessed Penalty, the following amounts.

- a. Interest. Interest begins to accrue from the Filing Date. If the Assessed Penalty is paid in full within thirty (30) days, interest accrued is waived. If the Assessed Penalty is not paid in full within thirty (30) days, interest will continue to accrue until any unpaid portion of the Assessed Penalty as well as any interest, penalties, and other charges are paid in full. To protect the interests of the United States the rate of interest is set at the IRS standard underpayment rate, any lower rate would fail to provide Respondent adequate incentive for timely payment.
- b. Handling Charges. Respondent will be assessed monthly a charge to cover EPA’s costs of processing and handling overdue debts. If Respondent fails to pay the Assessed Penalty in accordance with this Agreement, EPA will assess a charge to cover the costs of handling any unpaid amounts for the first thirty (30) day period after the Filing Date. Additional handling charges will be assessed every thirty (30)



days, or any portion thereof, until the unpaid portion of the Assessed Penalty as well as any accrued interest, penalties, and other charges are paid in full.

- c. Late Payment Penalty. A late payment penalty of six percent (6%) per annum, will be assessed monthly on all debts, including any unpaid portion of the Assessed Penalty, interest, penalties, and other charges, that remain delinquent more than ninety (90) days. Any such amounts will accrue from the Filing Date.

37. Late Penalty Actions. In addition to the amounts described in the prior Paragraph, if Respondent fails to timely pay any portion of the Assessed Penalty, interest, or other charges and penalties per this Agreement, EPA may take additional actions. Such actions EPA may take include, but are not limited to, the following.

- a. Refer the debt to a credit reporting agency or a collection agency, per 40 C.F.R. §§ 13.13 and 13.14.
- b. Collect the debt by administrative offset (i.e., the withholding of money payable by the United States government to, or held by the United States government for, a person to satisfy the debt the person owes the United States government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, per 40 C.F.R. Part 13, Subparts C and H.
- c. Suspend or revoke Respondent's licenses or other privileges, or suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds, per 40 C.F.R. § 13.17.
- d. Refer this matter to the United States Department of Justice for litigation and collection, per 40 C.F.R. § 13.33.

38. Allocation of Payments. Pursuant to 31 C.F.R. § 901.9(f) and 40 C.F.R. § 13.11(d), a partial payment of debt will be applied first to outstanding handling charges, second to late penalty charges, third to accrued interest, and last to the principal that is the outstanding Assessed Penalty amount.

39. Tax Treatment of Penalties. Penalties, interest, and other charges paid pursuant to this Agreement shall not be deductible for purposes of federal taxes.

40. Pursuant to 26 U.S.C. § 6050X and 26 C.F.R. § 1.6050X-1, EPA is required to send to the Internal Revenue Service (“IRS”) annually, a completed IRS Form 1098-F (“Fines, Penalties, and Other Amounts”) with respect to any court order or settlement agreement (including administrative settlements), that require a payor to pay an aggregate amount that EPA reasonably believes will be equal to, or in excess of, \$50,000 for the payor’s violation of any law or the investigation or inquiry into the payor’s potential violation of any law, including amounts paid for “restitution or remediation of property” or to come “into compliance with a law.” EPA is further required to furnish a written statement, which provides the same information provided to the IRS, to each payor (i.e., a copy of IRS Form 1098-F). Failure to comply with providing IRS Form W-9 or Tax Identification Number (“TIN”), as described below, may subject Respondent to a penalty, per 26 U.S.C. § 6723, 26 U.S.C. § 6724(d)(3), and 26 C.F.R. § 301.6723-1. In order to provide EPA with sufficient information to enable it to fulfill these obligations, EPA herein requires, and Respondent herein agrees, that:

- a. Respondent shall complete an IRS Form W-9 (“Request for Taxpayer Identification Number and Certification”), which is available at <https://www.irs.gov/pub/irs-pdf/fw9.pdf>;

- b. Respondent shall therein certify that its completed IRS Form W-9 includes Respondent's correct TIN or that Respondent has applied and is waiting for issuance of a TIN;
- c. Respondent shall email its completed Form W-9 to EPA's Cincinnati Finance Center at Chalifoux.Jessica@epa.gov, within 30 days after the Final Order ratifying this Agreement is filed, and EPA recommends encrypting IRS Form W-9 email correspondence; and
- d. In the event that Respondent has certified in its completed IRS Form W-9 that it has applied for a TIN and that TIN has not been issued to Respondent within 30 days after the Effective Date, then Respondent, using the same email address identified in the preceding sub-paragraph, shall further:
  - i. notify EPA's Cincinnati Finance Center of this fact, via email, within 30 days after the 30 days after the effective date of this Order per paragraph 55; and
  - ii. provide EPA's Cincinnati Finance Center with Respondent's TIN, via email, within five (5) days of Respondent's issuance and receipt of the TIN.

41. This Agreement applies to Respondent and its officers, directors, employees, agents, trustees, authorized representatives, successors, and assigns. Respondent must give written notice and a copy of this Agreement to any successors in interest prior to any transfer of any interest in the Site occurring prior to payment in full of the penalty referenced above. Any change in ownership or corporate control of Respondent, including but not limited to any transfer of assets or real or personal property, shall not alter Respondent's responsibilities under this Agreement.

42. By signing this Agreement, Respondent acknowledges that this Agreement will be available to the public and agrees that this Agreement does not contain any confidential business information or personally identifiable information.

43. The undersigned representative of Respondent certifies he or she is fully authorized to execute and enter into the terms and conditions of this Agreement and has the legal capacity to bind the party he or she represents to this Agreement.

44. The Parties agree that this Agreement may be signed in any number of counterparts, each of which will be deemed an original and, when taken together, constitute one agreement; the counterparts are binding on the Parties individually as fully and completely as if the Parties had signed one single instrument, so that the rights and liabilities of the Parties will be unaffected by the failure of any of the undersigned to execute any or all of the counterparts; any signature page and any copy of a signed signature page may be detached from any counterpart and attached to any other counterpart of this Agreement and any signature page may be transmitted electronically (e.g., a PDF file).

45. By signing this Agreement, both Parties agree that each Party's obligations under this Agreement constitute sufficient consideration for the other Party's obligations.

46. By signing this Agreement, Respondent certifies that the information it has supplied concerning this matter was at the time of submission true, accurate, and complete for each such submission, response, and statement. Respondent acknowledges that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information, under 18 U.S.C. § 1001.

47. Each Party shall bear its own attorney's fees, costs, and disbursements incurred in this proceeding.

**VII. EFFECT OF CONSENT AGREEMENT AND FINAL ORDER**

48. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this Agreement resolves only Respondent's liability for federal civil penalties for the violations specifically alleged above.

49. Consistent with section 162(f)(1) of the Internal Revenue Code, 26 U.S.C. § 162(f)(1), Respondent will not deduct penalties paid under this Agreement for federal tax purposes.

50. This Agreement constitutes the entire agreement and understanding of the Parties and supersedes any prior agreements or understandings, whether written or oral, among the Parties with respect to the subject matter hereof.

51. Nothing in this Agreement shall relieve Respondent of the duty to comply with all applicable provisions of the Act and other federal, state, or local laws, nor shall it restrict EPA's authority to seek compliance with any applicable laws or regulations, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit.

52. Nothing herein shall be construed to limit the power of the EPA to undertake any action against Respondent or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment.

53. If and to the extent EPA finds, after signing this Agreement, that any information provided by Respondent was materially false or inaccurate at the time such

information was provided to EPA, EPA reserves any and all of its legal and equitable rights.

54. The Parties consent to service of the Final Order approving this Consent Agreement by e-mail at the following valid e-mail addresses: dean.abigail@epa.gov (for Complainant), and jason.linton@energytransfer.com (for Respondent).

#### **VIII. EFFECTIVE DATE**

55. Respondent and Complainant agree to issuance of a final order approving this Agreement. Upon filing, the RJO will transmit a copy of the filed Agreement to the Respondent. This Agreement and subsequently issued Final Order shall become effective after execution of the Final Order by the RJO, on the date of filing with the Hearing Clerk.

The foregoing Consent Agreement In the Matter of Arrow Pipeline, LLC is hereby stipulated, agreed, and approved for entry.

**UNITED STATES ENVIRONMENTAL  
PROTECTION AGENCY, REGION 8,**

Date: \_\_\_\_\_


By: \_\_\_\_\_  
Scott Patefield, Branch Manager  
Air and Toxics Enforcement Branch  
Enforcement and Compliance Assurance Division

**Complainant.**

Arrow Pipeline, LLC,

**Respondent.**

Date: November 20, 2024

By: 

Printed Name: Matthew Gordon

Title: Vice President - Operations