

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 6
DALLAS, TEXAS

FILED
12 FEB 26 AM 11:27
REGIONAL HEARING CLERK
EPA REGION 6

In the Matter of	§	
	§	
Energy Transfer LP	§	Docket No. CAA 06-2025-3443
Oakwood, Texas	§	
	§	
Respondent.	§	

ADMINISTRATIVE ORDER ON CONSENT

A. PRELIMINARY STATEMENT

1. This Administrative Compliance Order on Consent (“Order”) is brought under Section 113(a) of the Clean Air Act (the “CAA” or the “Act”), 42 U.S.C. § 7413(a). Section 113(a)(3)(B) of the CAA authorizes the Administrator of the United States Environmental Protection Agency to issue an order requiring compliance to any person the Administrator finds to have violated, or is in violation of the CAA, which includes, among other things, the requirements of Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and the regulations promulgated thereunder.

2. Complainant is the United States Environmental Protection Agency, Region 6 (“EPA”). On EPA’s behalf, the Director of the Enforcement and Compliance Assurance Division, EPA Region 6 has been delegated the authority to settle civil administrative penalty and compliance proceedings under Section 113(a) of the Act, 42 U.S.C. § 7413(a).

3. Energy Transfer LP (“ET” or “Respondent”) is a limited partnership doing business in the State of Texas. Respondent is a “person” as defined in Section 302(e) of the Act, 42 U.S.C. § 7602(e).

4. Complainant and Respondent have agreed to voluntarily enter into this Order for the purposes of carrying out the goals of Section 112(r) of the Clean Air Act (“CAA”), 42 U.S.C. § 7412(r), and the regulations promulgated thereunder and codified at 40 C.F.R. Part 68.

B. JURISDICTION

5. This Order is entered into pursuant to Section 113(a)(3)(B) of the CAA, 42 U.S.C. § 7413(a)(3)(B) for the alleged violation of Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and the regulations promulgated thereunder.

6. Section 113(a)(3)(B) of the CAA, 42 U.S.C. § 7413(a)(3)(B), provides that whenever, on the basis of any information available to the Administrator, the Administrator finds that any person has violated, or is in violation of, any other requirement or prohibition of Subchapter I of the CAA, which includes, among other things, the requirements of Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and the regulations promulgated thereunder, the Administrator may issue an order requiring compliance with such requirement or prohibition.

C. STATUTORY AND REGULATORY BACKGROUND

Clean Air Act, Section 112(r)

7. The objective of Section 112(r)(1) of the Act, 42 U.S.C. § 7412(r)(1), is to prevent the accidental release and to minimize the consequences of any such release of any substance listed pursuant to Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), or any other extremely hazardous substance.

8. Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), requires the Administrator to promulgate, not later than 24 months after November 15, 1990, a list of regulated substances which, in the case of an accidental release, are known to cause or may reasonably be anticipated to cause death, injury, or serious adverse effects to human health or the environment

9. Pursuant to Section 112(r)(3) of the Act, 42 U.S.C. § 7412(r)(3), the Administrator initially promulgated a list of regulated substances, with threshold quantities for applicability, at 59 Fed. Reg. 4478 (January 31, 1994), which is codified, as amended, at 40 C.F.R. § 68.130.

Risk Management Plan (RMP)

10. Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), requires the Administrator to promulgate regulations that address release prevention, detection, and correction requirements for stationary sources with threshold quantities of regulated substances listed pursuant to Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3). On June 20, 1996, EPA promulgated a final rule known as the Risk Management Program, 40 C.F.R. Part 68 – Chemical Accident Prevention Provisions, which implements Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7).

11. The regulations at 40 C.F.R. Part 68 require owners and operators to develop and implement a Risk Management Program at each stationary source with over a threshold quantity of regulated substances. The Risk Management Program must include, among other things, a hazard assessment, a prevention program, and an emergency response program. The Risk Management Program is described in a Risk Management Plan (RMP) that must be submitted to EPA.

12. Pursuant to Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.150, an RMP must be submitted for all covered processes by the owner or operator of a stationary source subject to 40 C.F.R. Part 68 no later than the latter of June 21, 1999, or the date on which a regulated substance is first present above the threshold quantity in a process.

13. The regulations at 40 C.F.R. § 68.10 set forth how the Chemical Accident Prevention Provisions of 40 C.F.R. Part 68 apply to each program level of covered processes.

14. Pursuant to 40 C.F.R. § 68.10(i), a covered process is subject to Program 3 requirements if the process does not meet the requirements of Program 1, as described in 40 C.F.R. § 68.10(g), and if it is in a specified North American Industrial Classification System code or is subject to the OSHA process safety management standard, 29 C.F.R. 1910.119.

Definitions

15. Section 302(e) of the CAA, 42 U.S.C. § 7602(e), defines “person” to include any individual, corporation, partnership, association, State, municipality, political subdivision of a State, and any agency department, or instrumentality of the United States and any officer, agent, or employee thereof.

16. Section 112(r)(2)(A) of the CAA, 42 U.S.C. § 7412(r)(2)(A), and the regulation at 40 C.F.R. § 68.3 defines “accidental release” as an unanticipated emission of a regulated substance or other extremely hazardous substance into the ambient air from a stationary source.

17. Section 112(r)(2)(C) of the CAA, 42 U.S.C. § 7412(r)(2)(C) and the regulation at 40 C.F.R. § 68.3 defines “stationary source,” in part, as any buildings, structures, equipment, installations or substance emitting stationary activities which belong to the same industrial

group, which are located on one or more contiguous properties, which are under the control of the same person (or persons under common control) and from which an accidental release may occur.

18. Section 112(r)(2)(B) of the CAA, 42 U.S.C. § 7412(r)(2)(B), and the regulation at 40 C.F.R. § 68.3 define “regulated substance” as any substance listed pursuant to Section 112(r)(3) of the CAA, as amended, in 40 C.F.R. § 68.130.

19. The regulation at 40 C.F.R. § 68.3 defines “threshold quantity” as the quantity specified for regulated substances pursuant to Section 112(r)(5) of the CAA, as amended, listed in 40 C.F.R. § 68.130 and determined to be present at a stationary source as specified in 40 C.F.R. § 68.115.

20. The regulation at 40 C.F.R. § 68.3 defines “process” as any activity involving a regulated substance including any use, storage, manufacturing, handling or on-site movement of such substances or combination of these activities. For the purposes of this definition, any group of vessels that are interconnected, or separate vessels that are located such that a regulated substance could be involved in a potential release, shall be considered a single process.

21. The regulation at 40 C.F.R. § 68.3 defines “covered process” as a process that has a regulated substance present in more than a threshold quantity as determined under 40 C.F.R. § 68.115.

D. FINDINGS OF FACT AND CONCLUSIONS OF LAW

22. Respondent is, and at all times referred to herein was, a “person” as defined by Section 302(e) of the CAA, 42 U.S.C. § 7602(e).

23. Respondent took ownership of the facility located at 494 Highway 79 South, Oakwood, Texas 75855 (the "Facility") on May 6, 2025.

24. Pursuant to Section 114 of the CAA, 42 U.S.C. § 7414, EPA conducted an investigation of the Facility on May 28, 2025, to determine Respondent's compliance with Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and 40 C.F.R. Part 68 (the "Investigation").

25. The Facility is a "stationary source" pursuant to Section 112(r)(2)(C) of the CAA, 42 U.S.C. § 7412(r)(2)(C), and the regulation at 40 C.F.R. § 68.3.

26. Prior to May 6, 2025, Respondent's predecessor in ownership operated support activities for the oil and gas operation process at the Facility, meeting the definition of "process", as defined by 40 C.F.R. § 68.3.

27. Flammable mixture is a "regulated substance" pursuant to Section 112(r)(2)(B) of the CAA, 42 U.S.C. § 7412(r)(2)(B), and the regulation at 40 C.F.R. § 68.3. The threshold quantity for flammable mixture, as listed in 40 C.F.R. § 68.130 is 10,000 pounds.

28. At some point prior to May 6, 2025, the Facility had greater than a threshold quantity of 10,000 pounds of a flammable mixture in a process at the Facility, meeting the definition of "covered process" as defined by 40 C.F.R. § 68.3.

29. On November 5, 2024, EPA RMP Reporting Center sent a letter to Respondent's predecessor in ownership, with notification of its failure to update the RMP on file with EPA for the Facility.

30. The owner and operator of the Facility is required to submit an RMP at least once every five years from the date of its initial submission or most recent update pursuant to 40 C.F.R. § 68.190(b)(1) and to comply with the Program 3 prevention requirements because

pursuant to 40 C.F.R. § 68.10(i), the covered process at the Facility did not meet the eligibility requirements of Program 1 and is in North American Industry Classification System code 213112 (support activities for oil and gas operation) and subject to the OSHA process safety management standard, 29 C.F.R. § 1910.119.

31. If the Facility is no longer covered by Part 68, the owner or operator is required to submit a de-registration to EPA within six (6) months indicating that the stationary source is no longer covered pursuant to 40 C.F.R. § 68.190(c).

32. Based on the information provided by the Respondent, as some point prior to Respondent taking ownership of the Facility on May 6, 2025, the Facility no longer had a regulated substance present in more than the applicable threshold quantity onsite. Respondent de-registered the facility in Central Data Exchange (CDX) on September 2, 2025, following discussions with EPA.

E. ALLEGED VIOLATION

33. The facts stated in the EPA Findings of Fact and Conclusions of Law above are herein incorporated.

34. Complainant hereby states and alleges that Respondent has violated the CAA and federal regulations promulgated thereunder as stated below.

Count 1 – Updates

35. The regulation at 40 C.F.R. § 68.190(c) requires that if a stationary source is no longer subject to this part, the owner or operator of the stationary source shall submit a de-registration to EPA within six (6) months indicating that the stationary source is no longer covered.

36. A de-registration was not submitted for the Facility within six (6) months of no longer being covered under 40 C.F.R. Part 68.

37. The failure to submit a de-registration within six (6) months of the Facility no longer being covered pursuant to 40 C.F.R. § 68.190(c), as required, is a violation of Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7).

F. ORDER FOR COMPLIANCE

38. Based on the EPA Findings of Fact and Conclusions of Law and the EPA Findings of Violation set forth above, and pursuant to the authority of Section 113(a)(3)(B) of the CAA, 42 U.S.C. § 7413(a)(3)(B), as amended, Respondent is hereby ORDERED and agrees to comply with the requirements of Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and the regulations promulgated thereunder and codified at 40 C.F.R. Part 68. Specifically, EPA directed Respondent and Respondent has completed the following actions (Compliance Actions):

- a. De-register the Facility in Central Data Exchange (CDX) in accordance with 40 C.F.R. § 68.190(c).
- b. Notify EPA by electronic mail at sieminski.blake@epa.gov when the Facility has been de-registered in CDX.

Submissions

39. Respondent has provided documentation of completion of the compliance actions described above to EPA prior to the Effective Date of this Order.

40. All documents submitted by Respondent to EPA in the course of satisfying this Order shall be available to the public unless identified and determined to be confidential business information pursuant 40 C.F.R. Part 2, Subpart B.

41. EPA reserves the right to pursue enforcement of any violation identified as a result of Paragraph 38 (Compliance Actions).

Additional Terms

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

43. By entering into this Order, Respondent (1) consents to and agrees not to contest EPA's authority or jurisdiction to issue or enforce this Order, (2) agrees to undertake all actions required by the terms and conditions of this Order, (3) consents to service by email at the following valid email addresses: sieminski.blake@epa.gov (for EPA) and jake.krautsch@energytransfer.com (for Respondent), and (4) consents to be bound by the requirements set forth herein.

44. Respondent waives any and all remedies, claims for relief, and otherwise available rights to judicial or administrative review that Respondent may have with respect to any issue of fact or law set forth in this Order, including, but not limited to, any right of judicial review of this Order under Section 307(b)(1) of the CAA, 42 U.S.C. § 7607(b)(1), or under the Administrative Procedure Act, 5 U.S.C. §§ 701-706.

G. GENERAL PROVISIONS

45. Respondent neither admits nor denies any of the factual or legal determinations made by EPA in this Order.

46. This Order does not resolve any civil or criminal claims for the violation alleged in this Order. In accordance with Section 113(a)(4) of the CAA, 42 U.S.C. § 7413(a)(4), issuance of this Order does not preclude EPA from assessing penalties, obtaining injunctive relief, or taking any other action authorized under the CAA, or other applicable federal laws or regulation. This Order does not affect the obligation of Respondent to comply with all federal, state, and local statutes, regulations, and permits.

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

48. Nothing in this Order shall limit EPA's right to obtain access to, and/or inspect the Facility, and/or to request additional information from Respondent pursuant to the authority of Section 114 of the CAA, 42 U.S.C. § 7414.

49. For purposes of the identification requirement in Section 162(f)(2)(A)(ii) of the Internal Revenue Code, 26 U.S.C. § 162(f)(2)(A)(ii), and 26 C.F.R. § 162-21(b)(2), performance of the Order for Compliance is restitution, remediation, or required to come into compliance with the law.

50. Respondent and EPA agree to bear their respective costs and attorney's fees. Respondent waives its right to seek reimbursement of their costs and attorney's fees under the

Equal Access to Justice Act (5 U.S.C. § 504), as amended by the Small Business Regulatory Enforcement Fairness Act (P.L. 104-121), and any regulations promulgated thereunder.

51. By signing this Order, the undersigned representative of Respondent certifies that he or she is authorized to enter into the terms and conditions of this Order, and to execute and legally bind Respondent to this Order.

52. EPA and Respondent may subsequently amend this Order, in writing, in accordance with the authority of the CAA. In the event of any amendment to this Order, all requirements for performance of this Order not affected by the amendment shall remain as specified by the original Order.

53. By signing this Order, Respondent certifies that the information it has supplied concerning this matter was at the time of submission, and is, to the best of its knowledge and belief, truthful, accurate, and complete for each 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.

H. FAILURE TO COMPLY

54. EPA reserves all of its statutory and regulatory powers, authorities, rights, and remedies, both legal and equitable, which may pertain to Respondent's failure to comply with any of the requirements of this Order. This Order shall not be construed as a covenant not to sue, release, waiver, or limitation of any rights, remedies, powers, and/or authorities, civil or criminal, which EPA has under any statutory, regulatory, or common law authority of the United States.

55. Any violation of this Order may result in an additional enforcement action under Section 113 of the CAA, 42 U.S.C. § 7413. EPA may use any information submitted under this Order in an administrative, civil judicial, or criminal action. Section 113 of the CAA, 42 U.S.C. § 7413, authorizes the Administrator to:

a. issue an administrative penalty order under Section 113(d)(1) of the CAA, 42 U.S.C. § 7413(d)(1), assessing a civil penalty not to exceed \$59,114 (or amount as adjusted by the Civil Monetary Penalty Adjustment Rule) per day of violation, pursuant to Section 113(d)(1)(B) of the CAA, 42 U.S.C. § 7413(d)(1)(B);

b. bring a civil judicial enforcement action for permanent or temporary injunction, or to assess and recover a civil penalty not to exceed \$472,901 (or amount as adjusted by the Civil Monetary Penalty Adjustment Rule) per day of violation, or both, pursuant to Section 113(b)(2) of the CAA, 42 U.S.C. § 7413(b)(2); or

c. request the Attorney General to commence a criminal action pursuant to Section 113(c) of the CAA, 42 U.S.C. § 7413(c).

H. EFFECTIVE DATE

56. Pursuant to Section 113(a)(4) of the CAA, 42 U.S.C. § 7413(a)(4), this Order shall be effective on the date that it is signed by the authorized EPA representative and shall terminate on the Effective Date as EPA has determined that Respondent has achieved compliance with all terms of this Order. This Order shall be nonrenewable.

57. Unless otherwise stated, all time periods stated herein shall be calculated in calendar days from such date.

RESPONDENT:

ENERGY TRANSFER LP

Date: 2-2-2026



Signature

Chad Ingalls

Name

VP-Operations

Title

COMPLAINANT:

U.S. ENVIRONMENTAL PROTECTION AGENCY

Date: February 11, 2026

Cheryl T. Seager
Director
Enforcement and
Compliance Assurance Division
U.S. EPA, Region 6

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Administrative Order on Consent was filed with me, the Regional Hearing Clerk, U.S. EPA - Region 6, 1201 Elm Street, Suite 500, Dallas, Texas 75270-2102, and that I sent a true and correct copy on this day in the following manner to the email addresses:

Copy via Email to EPA:

sieminski.blake@epa.gov

roland.alexandrea@epa.gov

Copy via Email to Respondent:

jake.krautsch@energytransfer.com

Jake Krautsch,
Energy Transfer LP
Oakwood Facility
8111 Westchester Drive
Dallas, TX 75225

Regional Hearing Clerk
U.S. EPA, Region 6