

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

In The Matter Of:

Equitrans, L.P.	:	Violation of the Air Pollution Control Act
2200 Energy Drive	:	and 25 Pa. Code § 121.7
Canonsburg, PA 15317	:	

CONSENT ASSESSMENT OF CIVIL PENALTY

This Consent Assessment of Civil Penalty is entered into this 8th day of April 2024, by and between the Commonwealth of Pennsylvania, Department of Environmental Protection (“Department”) and Equitrans, L.P. (“Equitrans”).

The Department has found and determined the following:

A. The Department is the agency with the duty and authority to administer and enforce the Air Pollution Control Act, Act of January 8, 1960, P.L. 2119 (1959), *as amended*, 35 P.S. §§ 4001-4015 (“Air Pollution Control Act”); and the rules and regulations promulgated thereunder (“Regulations”).

B. Equitrans is a Pennsylvania limited partnership that maintains a business address of 2200 Energy Drive, Canonsburg, PA 15317. The General Partner of Equitrans is Equitrans Services, LLC. Equitrans is a “person” as that term is defined in Section 3 of the Air Pollution Control Act, 35 P.S. § 4003.

C. Equitrans owns and operates the Rager Mountain natural gas storage reservoir located in Jackson Township, Cambria County, Pennsylvania (“Rager Facility”). The Rager Facility consists of ten natural gas injection-withdrawal wells and two observation wells for the temporary storage of natural gas.

D. On November 6, 2022, natural gas began venting uncontrollably from Well 2244 (also known as the George Reade 1 storage well) at the Rager Facility due to a casing failure.

E. The uncontrolled venting of natural gas from Well 2244 continued until November 19, 2022, when Equitrans stopped the venting from the Well that resulted from the well control incident.

F. Department personnel observed a visible gas plume form over Well 2244.

G. Department personnel on-site during the release observed natural gas odors and the sound of the venting being akin to a jet engine. During the release, the Department received numerous complaints from individuals in the area of the Rager Facility complaining of natural gas odors and a very loud venting noise.

H. From November 6, 2022 through November 19, 2022, approximately 1.037 billion cubic feet of hydrocarbons were released to the atmosphere from Well 2244.

I. Based upon Equitrans' calculations using representative gas analysis data, verified by the Department, the following air contaminants were emitted from Well 2244 to the atmosphere from November 6, 2022 through November 19, 2022:

Air contaminant	Tons
Volatile Organic Compounds	105.9
Carbon Dioxide	222.77
Methane	27,039.87

J. At all times material hereto, Equitrans did not have a permit or other authorization from the Department to release to the atmosphere hydrocarbons or any other air contaminant from Well 2244.

K. Volatile organic compounds ("VOCs"), carbon dioxide, and methane are "air contaminants" as that term is defined in Section 3 of the Air Pollution Control Act, 35 P.S. § 4003.

L. VOCs are organic compounds that participate in atmospheric photochemical reactions. VOCs are regulated as a precursor to ozone, which is a criteria pollutant under the National Ambient Air Quality Standards. Ozone is known to cause adverse health effects and damage to plant life at the earth's surface.

M. Methane is a hydrocarbon that is a primary component of natural gas. Methane also is a greenhouse gas that, according to 40 CFR, Part 98 of the federal regulations promulgated under the federal Clean Air Act, is more than 25 times as potent as carbon dioxide at trapping heat in the atmosphere. The release of methane contributes to the adverse effects of climate change.

N. The Department issued a Notice of Violation to Equitrans on October 5, 2023 (“NOV”) asserting violations of the Air Pollution Control Act relating to the venting of natural gas from Well 2244, as described in Paragraphs D and E, above.

Applicable Law

O. Section 8 of the Air Pollution Control Act, 35 P.S. § 4008, states in relevant part that “[i]t shall be unlawful to fail to comply with or to cause or assist in the violation of any of the provisions of this act or the rules and regulations adopted under this act or...to cause a public nuisance; or to cause air pollution...”

P. Section 121.7 of the Regulations, 25 Pa. Code § 121.7, states that “[n]o person may permit air pollution as that term is defined in the [Air Pollution Control Act].”

R. Section 3 of the Air Pollution Control Act, 35 P.S. § 4003 defines “air pollution” as

The presence in the outdoor atmosphere of any form of contaminant, including, but not limited to, the discharging from stacks, chimneys, openings, buildings, structures, open fires, vehicles, processes or any other source of any smoke, soot, fly ash, dust, cinders, dirt, noxious or obnoxious acids, fumes, oxides, gases, vapors, odors, toxic, hazardous or radioactive

substances, waste or any other matter in such place, manner or concentration inimical or which may be inimical to the public health, safety or welfare or which is or may be injurious to human, plant or animal life or to property or which unreasonably interferes with the comfortable enjoyment of life or property.

Unlawful Conduct

S. Equitrans' unauthorized release of air contaminants from Well 2244 resulted in the emission of air contaminants as described in Paragraph H, above, and in air pollution as described in Paragraph R, above.

T. Equitrans violated Section 8 of the Air Pollution Control Act, 35 P.S. § 4008, and Section 121.7 of the Regulations, 25 Pa. Code § 121.7, by allowing an uncontrolled release of natural gas from Well 2244 from November 6, 2022 through November 19, 2022.

U. The violation described in Paragraph T, above, constitutes unlawful conduct under Section 8 of the Air Pollution Control Act, 35 P.S. § 4008, a statutory nuisance under Section 13 of the Air Pollution Control Act, 35 P.S. § 4013, and subjects Equitrans to civil penalty liability under Section 9.1 of the Air Pollution Control Act, 35 P.S. § 4009.1.

ASSESSMENT

After full and complete negotiations of all matters set forth in this Consent Assessment of Civil Penalty and upon mutual exchange of the covenants herein, the parties desiring to avoid litigation and intending to be legally bound, it is hereby ASSESSED by the Department and AGREED to by Equitrans as follows:

1. ***Assessment.*** In resolution of the Department's claim for civil penalties, which the Department is authorized to pursue under Section 9.1 of the Air Pollution Control Act, 35 P.S. § 4009.1, the Department hereby assesses a civil penalty of **\$350,000.00 (THREE HUNDRED AND FIFTY THOUSAND DOLLARS)**, which Equitrans hereby agrees to pay.

2. **Civil Penalty Settlement.** Equitrans consents to the assessment of the civil penalty assessed in Paragraph 1, which shall be paid in full upon signing this Consent Assessment of Civil Penalty. This payment is in settlement of the Department's claim for civil penalties for the violations set forth in Paragraphs N and T, above, for the dates set forth therein. The payment shall be by corporate check or the like, made payable to "Commonwealth of Pennsylvania, Clean Air Fund" and sent to the Air Quality Program Manager, Department of Environmental Protection, 400 Waterfront Drive, Pittsburgh, PA 15222-4745.

3. **Findings.**

a. In any matter or proceeding between Equitrans and the Department, Equitrans shall not challenge or deny the Department's assertion of the truth, accuracy, or validity of Paragraphs A through U, above.

b. The parties do not authorize any other persons to use the findings in this Consent Assessment of Civil Penalty in any matter or proceeding.

4. **Reservation of Rights.** The Department reserves all other rights with respect to any matter addressed by this Consent Assessment of Civil Penalty, including the right to require abatement of any conditions resulting from the events described in the Findings. Equitrans reserves the right to challenge any action which the Department may take, but waives the right to challenge the content or validity of this Consent Assessment of Civil Penalty.

5. **Execution of Agreement.** This CACP may be signed in counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument and may be transmitted electronically via portable document format (.pdf).

IN WITNESS WHEREOF, the parties have caused this Consent Assessment of Civil Penalty to be executed by their duly authorized representatives. The undersigned representatives

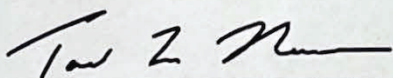
of Equitrans certify, under penalty of law, as provided by 18 Pa. C. S. § 4904, that they are authorized to execute this Consent Assessment of Civil Penalty on behalf of Equitrans, that Equitrans consents to the entry of this Consent Assessment of Civil Penalty as an ASSESSMENT of the Department; that Equitrans hereby knowingly waives any right to a hearing under the statutes referenced in this Consent Assessment of Civil Penalty; and that Equitrans knowingly waives its right to appeal this Consent Assessment of Civil Penalty, which rights may be available under Section 4 of the Environmental Hearing Board Act, Act of July 13, 1988, P.L. 530, 35 P.S. § 7514; the Administrative Agency Law, 2 Pa. C.S. § 103(a) and Chapters 5A and 7A; or any other provision of law. Signature by Equitrans' attorney certifies only that the agreement has been signed after consulting with counsel.

FOR EQUITRANS, L.P.:
BY: EQUITRANS SERVICES, LLC,
ITS SOLE GENERAL PARTNER;

BY: EQUITRANS INVESTMENT, LLC,
ITS SOLE MEMBER;

BY: EQM MIDSTREAM PARTNERS, LP,
ITS SOLE MEMBER;

BY: EQGP SERVICES, LLC,
ITS SOLE GENERAL PARTNER:



Todd Normane
Senior Vice President &
Chief Sustainability Officer

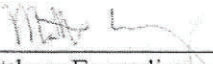
FOR THE COMMONWEALTH OF
PENNSYLVANIA, DEPARTMENT OF
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Nathaniel DeRose
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Matthew Eggerding
Deputy General Counsel, Environmental &
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Attorney for Equitrans Services, LLC



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