

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

In the matter of:

Transcontinental Gas Pipe Line Co., LLC	:	Violations of the Clean Streams Law,
2800 Post Oak Boulevard	:	Dam Safety and Encroachments Act,
Houston, TX 77056	:	and the Department's Rules and Regulations
	:	PA Pipeline Project – Atlantic Sunrise
	:	E&S Permit Nos. ESG03000150001,
	:	ESG00350150001, and ESG00081150001
	:	
	:	WO&E Permit Nos. E19-311, E36-947
	:	E38-195, E40-769, E49-336, E54-360
	:	E58-315, E66-160, E41-667, and E18-495
	:	
	:	Clinton, Columbia, Lancaster, Lebanon,
	:	Luzerne, Lycoming, Northumberland,
	:	Schuylkill, Susquehanna, and
	:	Wyoming Counties

CONSENT ASSESSMENT OF CIVIL PENALTY

This Consent Assessment of Civil Penalty ("CACP") is entered into this 2nd day of September 2020, by and between the Commonwealth of Pennsylvania, Department of Environmental Protection ("Department"), and Transcontinental Gas Pipe Line Company, LLC, ("Transco").

The Department has found and determined the following:

Parties

A. The Department is the agency with the duty and authority to administer and enforce The Clean Streams Law, Act of June 22, 1937, PL. 1987, as amended, 35 P.S. §§ 691.1-691.1001 ("Clean Streams Law"); the Dam Safety and Encroachment Act, the Act of November 26, 1978, P.L. 1375, as amended, 32 P.S. §§ 693.1 et seq. ("Dam Safety Act"); Section 1917-A of the Administrative Code of 1929, Act of April 9, 1929, P.L. 177, as amended, 71 P.S. § 510-17 ("Administrative Code") and the rules and regulations promulgated thereunder.

B. Transco is a Delaware limited liability company authorized to do business in Pennsylvania with a business address of 2800 Post Oak Boulevard, Houston, TX 77056. Transco constructs, owns, and operates pipelines in Pennsylvania used to transport natural gas products.

C. Transco is a “person” as that term is defined in Section 1 of the Clean Streams Law, 35 P.S. § 691.1, Section 3 of the Dam Safety and Encroachments Act, 32 P.S. § 693.3.

D. Transco constructed the Atlantic Sunrise Pipeline Project (“ASR”) to connect the natural gas producing regions in northeastern Pennsylvania to markets in the Mid-Atlantic and southeastern states. ASR consists of compression and looping of the Transco Leidy Line in Pennsylvania along with a greenfield pipeline segment, referred to as the Central Penn Line, connecting to the Transco mainline near Station 195 in southeastern Pennsylvania. During ASR construction, Transco conducted pipeline construction activities in Clinton, Columbia, Lancaster, Lebanon, Luzerne, Lycoming, Northumberland, Schuylkill, Susquehanna, and Wyoming Counties, Pennsylvania.

Permits

E. To construct ASR, Transco obtained several permits from the Department.

F. E&S Permit ESG00350150001, and WO&E Permit E18-495, authorized Transco to construct the “Chapman Loop” Pipeline in Clinton County.

G. E&S Permit ESG00081150001, and WO&E Permit E41-667, authorized Transco to construct the “Unity Loop” Pipeline in Lycoming County.

H. E&S Permit ESG03000150001 and WO&E Permit E19-311, authorized Transco to construct a portion of ASR through Columbia County.

I. E&S Permit ESG03000150001 and WO&E Permit E36-947, authorized Transco to construct a portion of ASR through Lancaster County.

J. E&S Permit ESG03000150001 and WO&E Permit E38-195, authorized Transco to construct a portion of ASR through Lebanon County.

K. E&S Permit ESG03000150001 and WO&E Permit E40-769, authorized Transco to construct a portion of ASR through Luzerne County.

L. E&S Permit ESG03000150001 and WO&E Permit E49-336, authorized Transco to construct a portion of ASR through Northumberland County.

M. E&S Permit ESG03000150001 and WO&E Permit E54-360, authorized Transco to construct a portion of ASR through Schuylkill County.

N. E&S Permit ESG03000150001 and WO&E Permit E58-315, authorized Transco to construct a portion of ASR through Susquehanna County.

O. E&S Permit ESG03000150001 and WO&E Permit E66-160, authorized Transco to construct a portion of ASR through Wyoming County.

P. For the purposes of this CACP, the term “Inadvertent Return (“IR”)” means an unauthorized discharge of drilling fluids associated with horizontal directional drilling (“HDD”) or other trenchless construction methodologies to the surface of the ground or to surface waters, including wetlands.

Sites:

Q. ASR’s proposed construction areas are identified in each permit described above and associated Soil Erosion and Sedimentation Control Plan/Site Restoration Plans (“E&S Plan”), drawings, and maps. The construction areas were further defined by natural, topographic, and construction feature labels. The construction areas (collectively, “Sites”) adjoined or included wetlands, waterbodies, watercourses, streams and stream crossings, roads and road crossings, access roads, staging areas, drilling/boring entry and exit locations, pipeline stations and mile markers as identified in the permits.

R. The water use designations of the receiving streams and unnamed tributaries (“UNTs”) identified in this CACP, are listed in 25 Pa. Code, Chapter 93, Water Quality Standards, 25 Pa. Code § 93.9. Several receiving streams are designated High Quality (“HQ”) or Exceptional Value (“EV”) waters. In addition, several other receiving streams are designated Trout Stocking fisheries (“TSF”), which have seasonal construction restrictions from March 1st to June 15th.

S. Receiving streams and UNTs addressed in this CACP, designated as Class A wild trout waters are determined by the Pennsylvania Fish and Boat Commission, as referenced in <https://www.fishandboat.com/Fish/PennsylvaniaFishes/Trout/Documents/classa.pdf>. These receiving streams, designated Class A Wild Trout waters, have seasonal restrictions for construction from October 1st to April 1st.

T. All receiving streams and wetlands listed herein, are Waters of the Commonwealth, as defined in Section 1 of the Clean Streams Law, 35 P.S. § 691.1.

U. The Department and County Conservation Districts (“Districts”) conducted inspections of ASR from September 25, 2017 to the present. As a result of these inspections, the Department and Districts observed, or determined the following conditions occurred during the construction of the pipeline:

1. On November 2 and 20, 2017, Transco failed to submit an E&S Plan as requested.
2. On the dates set forth on Exhibit A, Transco failed to implement effective E&S Best Management Practices (“BMPs”).

3. On the dates set forth on Exhibit B, Transco failed to maintain effective E&S BMPs.

4. On March 27, 2018, Transco failed to implement Antidegradation Best Available Combination of Technologies (“ABACT”) BMPs for earth disturbances within a High Quality or Exceptional Value watershed.

5. On the dates set forth on Exhibit C, Transco failed to provide temporary stabilization of earth disturbance at locations along the pipeline.

6. On September 29, October 6 and November 13, 2017, and April 25 and June 13, 2018, Transco failed to provide permanent stabilization of earth disturbance.

7. On the dates below, Transco failed to follow the E&S Plan and/or E&S Permit conditions and/or WO&E Permit conditions. This included the following:

i. STREAM CROSSINGS: During an inspection on December 6, 2017, in Columbia County, District staff documented three (3) Class A Wild Trout stream crossing locations in Columbia and Northumberland Counties as described in Paragraph S, above, where Transco performed work contrary to its E&S Permit ESG03000150001, E&S Plan and specifications, when it failed to obtain authorization for alternate earth disturbance and construction methods for water encroachments and obstructions at stream crossings identified within the approved WO&E Permits Nos. E19-311 and E49-336.

ii. TRENCHES: On November 27, 2017 and December 1, 2017, in Columbia County and Luzerne County, and in documented reports submitted by Transco on December 5, 2017 and January 26 and March 8, 2018, at 42 locations there were extended periods of time between November 27, 2017 and March 6, 2018 where Transco failed to implement approved staging or sequencing of earth disturbance activities, left trenches open for periods longer than the 30-day period authorized in its E&S Plan, and backfilled and retrenched, contrary to its E&S Permit No. ESG03000150001.

iii. BORINGS: On the dates identified in Exhibit D, Transco conducted road crossings in accordance with permits it received from the Pennsylvania Department of Transportation and local townships, but which deviated from E&S Permit No. ESG03000150001 and its approved E&S Plan, and permitted methods of pipe installation (conventional bore instead of open cut, and hybrid bore instead of conventional bore) for road and utility crossings, leading the Department to determine that a permit modification should have been obtained.

iv. LOW FLOW: During an inspection on January 30, 2018, in Lebanon County, District staff documented that when Transco constructed a pipeline crossing at Quittapahilla Creek, Transco did not wait for low flow conditions to construct the stream crossing, did not implement its E&S Permit ESG03000150001 and E&S Plan, and did not construct the crossing in accordance with its WO&E Permit No. E38-195, Condition 16, Special Conditions DDD

and LLL, and E&S Permit No. ESG0300015001, Part A(II)A and B(II)A, resulting in a danger of pollution.

v. INADVERTENT RETURNS: On January 12, 2018 in Luzerne County, and January 16, 2018 in Wyoming County, and January 17, 2018 in Luzerne County, and March 24, 2018 in Lebanon County, there were four (4) IRs and unauthorized discharges, as defined in Paragraph P, above.

8. On the dates identified in Exhibit E, Transco allowed unpermitted releases of sediment into waters of the Commonwealth from ASR work sites.

9. On January 24 and March 23, 2018, Transco reported to the Department that its activities in upland areas resulted in the release of industrial waste to upland soils from a 50-gallon drum of hydraulic oil associated with a broken excavator (January 24), as well as diesel fuel spilled from a street sweeper (March 23). Transco responded promptly to these releases. These releases did not impact waters of the Commonwealth.

10. On the dates set forth on Exhibit F, Transco allowed site conditions to create a danger of pollution to waters of the Commonwealth.

V. Section 3 of the Clean Streams Law, 35 P.S. § 691.3, provides that “[t]he discharge or industrial waste or any substance into waters of this Commonwealth, which causes or contributes to pollution as herein defined or creates a danger of such pollution is hereby declared not to be a reasonable or natural use of such waters, to be against public policy and to be a public nuisance.”

W. Section 301 of the Clean Streams Law, 35 P.S. § 691.301, provides that “[n]o person or municipality shall place or permit to be placed, or discharged or permit to flow, or continue to discharge or permit to flow, into any of the waters of the Commonwealth any industrial wastes, except as hereinafter provided in this act.”

X. Section 307(c) of the Clean Streams Law, 35 P.S. § 691.307(c), provides that “[a] discharge of industrial wastes without a permit or contrary to the terms and conditions of a permit or contrary to the rules and regulations of the department is hereby declared to be a nuisance.”

Y. Section 401 of the Clean Streams Law, 35 P.S. § 691.401, provides that “[i]t shall be unlawful for any person or municipality to put or place into any of the waters of the Commonwealth, or allow or permit to be discharged from property owned or occupied by such person or municipality into any of the waters of the Commonwealth, any substance of any kind or character resulting in pollution as herein defined. Any such discharge is hereby declared to be a nuisance.”

Z. Section 402(b) of the Clean Streams Law, 35 P.S. § 691.402(b), provides that “[w]henever a permit is required by rules and regulations issued pursuant to this section, it shall be unlawful for a person or municipality to conduct the activity regulated except pursuant to a permit issued

by the department. Conducting such activity without a permit, or contrary to the terms or conditions of a permit or conducting an activity contrary to the rules and regulations of the department or conducting an activity contrary to an order issued by the department, is hereby declared to be a nuisance.”

AA. Section 611 of the Clean Streams Law, 35 P.S. § 691.611, provides, in relevant part, that “[i]t shall be unlawful to fail to comply with any rule or regulation of the department or to fail to comply with any order or permit or license of the department, to violate any of the provisions of this act or rules and regulations adopted hereunder, or any order or permit or license of the department, to cause air or water pollution,.... Any person or municipality engaging in such conduct shall be subject to the provisions of sections 601, 602 and 605.”

BB. Section 102.4(b)(1) of the Pennsylvania Erosion and Sediment Control Regulations, (“E&S Regulations”), 25 Pa. Code § 102.4(b)(1), provides that “[f]or earth disturbance activities other than agricultural plowing or tilling or animal heavy use areas, the following erosion and sediment control requirements apply: (1) The implementation and maintenance of E&S BMPs are required to minimize the potential for accelerated erosion and sedimentation, including those activities which disturb less than 5,000 square feet (464.5 square meters).”

CC. Section 102.4(b)(2) of the E&S Regulations, 25 Pa. Code § 102.4(b)(2), provides that “[a] person proposing earth disturbance activities shall develop and implement a written E&S Plan under this chapter if one or more of the following criteria apply:

- (i) The earth disturbance activity will result in a total earth disturbance of 5,000 square feet (464.5 square meters) or more.
- (ii) The person proposing the earth disturbance activities is required to develop an E&S Plan under this chapter or under other Department regulations.
- (iii) The earth disturbance activity, because of its proximity to existing drainage features or patterns, has the potential to discharge to a water classified as a High Quality or Exceptional Value water under Chapter 93 (relating to water quality standards).”

DD. Section 102.4(b)(4) of the E&S Regulations, 25 Pa. Code § 102.4(b)(4), provides that “[u]nless otherwise authorized by the Department or conservation district after consultation with the Department, earth disturbance activities shall be planned and implemented to the extent practicable in accordance with the following:

- (i) Minimize the extent and duration of the earth disturbance.
- (ii) Maximize protection of existing drainage features and vegetation.
- (iii) Minimize soil compaction.

- (iv) Utilize other measures or controls that prevent or minimize the generation of increased stormwater runoff.”

EE. Section 102.4(b)(6) of the E&S Regulations, 25 Pa. Code § 102.4(b)(6), includes enhanced requirements for the use of ABACT during an earth disturbance activity requiring a permit and for which any receiving surface water of this Commonwealth is classified as High Quality or Exceptional Value under 25 Pa. Code § 93.1, *et. seq.*

FF. Section 102.22(a) of the E&S Regulations, 25 Pa. Code §102.22(a), provides that “[u]pon final completion of an earth disturbance activity or any stage or phase of an activity, the site shall immediately have topsoil restored, replaced, or amended, seeded, mulched or otherwise permanently stabilized and protected from accelerated erosion and sedimentation.

- (1) E&S BMPs shall be implemented and maintained until the permanent stabilization is completed. Once permanent stabilization has been established, the temporary E&S BMPs shall be removed. Any areas disturbed in the act of removing temporary E&S BMPs shall be permanently stabilized upon completion of the temporary E&S BMP removal activity.

- (2) For an earth disturbance activity or any stage or phase of an activity to be considered permanently stabilized, the disturbed areas shall be covered with one of the following:

- (i) A minimum uniform 70% perennial vegetative cover, with a density capable of resisting accelerated erosion and sedimentation.

- (ii) An acceptable BMP which permanently minimizes accelerated erosion and sedimentation.”

GG. Section 102.22(b) of the E&S Regulations, 25 Pa. Code §102.22(b), provides that “[u]pon temporary cessation of an earth disturbance activity or any stage or phase of an activity where a cessation of earth disturbance activities will exceed 4 days, the site shall be immediately seeded, mulched, or otherwise protected from accelerated erosion and sedimentation pending future earth disturbance activities.”

HH. Section 6(a) of the Dam Safety and Encroachments Act, 32 P.S. § 693.6(a) provides that “[n]o person shall construct, operate, maintain, modify, enlarge or abandon any dam, water obstruction or encroachment without the prior written permit of the department.”

II. Section 105.11(a) of the Dam Safety Regulations, 25 Pa. Code §105.11(a), provides that “[a] person may not construct, operate, maintain, modify, enlarge or abandon a dam, water obstruction or encroachment without first obtaining a written permit from the Department.”

JJ. Section 105.44(a) of Pennsylvania’s Dam Safety Regulations, 25 Pa. Code § 105.44(a), provides that “[w]ork undertaken under a permit or other Department approval issued

under this chapter must be conducted in accordance with the maps, plans, profiles and specifications as approved by the Department.”

KK. Section 105.46(a) and (b) of the Dam Safety Regulations, 25 Pa. Code § 105.46(a) and (b), provide that “(a) During the construction of a dam, water obstruction or encroachment, the permittee shall follow the erosion and sediment control plan prepared in accordance with Chapter 102 (relating to erosion and sediment control) and submitted as part of the application.” and “(b) Construction must be done in a manner to minimize erosion of banks and bed of the stream and disturbance of the regimen of the stream.”

LL. Section 105.46 of Pennsylvania’s Dam Safety Regulations, 25 Pa. Code §105.46, provides that “(a) During the construction of a dam, water obstruction or encroachment, the permittee shall follow the erosion and sediment control plan prepared in accordance with Chapter 102 (relating to erosion and sediment control) and submitted as part of the application.” and “(b) Construction must be done in a manner to minimize erosion of banks and bed of the stream and disturbance of the regimen of the stream.”

Violations

MM. As described in Paragraph U(9), above, Transco’s self-reported releases of industrial waste (spills/polluting substances), created a danger of pollution to waters of the Commonwealth and violation of Sections 301, 307(c), and 402 of the Clean Streams Law, 35 P.S. §§ 691.301, 691.307, and 691.402.

NN. Transco’s conduct causing or allowing accelerated erosion and other unauthorized discharges of sediment into waters of this Commonwealth as described in Paragraph U(8), above, constitutes a violation under Section 401 of the Clean Streams Law, 35 P.S. § 691.401.

OO. Site conditions observed and documented at ASR Sites and locations, as described in Paragraph U(10), above, created a danger of pollution to waters of the Commonwealth, in violation of Sections 3 and 402(a) of the Clean Streams Law, 35 P.S. §§ 691.3 and 691.402(a).

PP. Transco’s failure to perform the work in accordance with its E&S Permit No. ESG03000150001, and related plans and specifications, at three stream crossings, as described in Paragraph U(7)(i), above, constitutes a violation of Section 402(b) of the Clean Streams Law, 35 P.S. §691.402(b).

QQ. Transco’s failure to properly implement staging or sequencing of earth disturbance activities and exceeding the thirty (30) day time-period between the commencement of trench excavation and the beginning of disturbed area stabilization as described in Paragraph U(7)(ii) above, constitutes violations of Transco’s E&S Permits, and constitutes a violation of Section 402(b) of the Clean Streams Law, 35 P.S. § 691.402(b).

RR. Transco’s use of installation methods at utility and road crossings based upon permits received from the townships and Pennsylvania Department of Transportation without first notifying the Department and modifying the permits issued by the Department and failure to use installation

methods permitted by the Department as described in Paragraph U(7)(iii) above, constitute nuisances under Section 402(b) of The Clean Streams Law, 35 P.S. § 691.402(b).

SS. Transco's failures to comply with permit conditions as described in Paragraph U(7), above, constitute a violation of Section 402(b) of the Clean Streams Law, 35 P.S. § 691.402(b).

TT. Transco's failures to implement erosion and sedimentation control BMPs to effectively minimize accelerated erosion and sedimentation, as described in Paragraph U (2) above, constitute violations of Section 102.4(b)(1) of the E&S Regulations, 25 Pa. Code §102.4(b)(1).

UU. Transco's failures to maintain erosion and sedimentation control BMPs to effectively minimize accelerated erosion and sedimentation at the Sites, as described in Paragraph U (3) above, constitute violations of Section 102.4(b)(1) of the E&S Regulations, 25 Pa. Code § 102.4(b)(1).

VV. Transco's failures to implement ABACT BMPs for earth disturbance activity where the receiving surface waters of this Commonwealth are classified as High Quality or Exceptional Value under Chapter 93 as described in Paragraph U (4) above, constitute violations of Section 102.4(b)(6) of the E&S Regulations, 25 Pa. Code §102.4(b)(6).

WW. Transco's failures to provide permanent stabilization upon final completion of an earth disturbance activity as described in Paragraph U (5) above, constitute violations of Section 102.22(a) of the E&S Regulations, 25 Pa. Code § 102.22(a).

XX. Transco's failures to provide temporary stabilization after cessation of an earth disturbance activity or any stage or phase of an activity where a cessation of earth disturbance activities will exceed 4 days as described in Paragraph U (6) above, constitute violations of Section 102.22(b) of the E&S Regulations, 25 Pa. Code §102.22(b).

YY. Transco's placement of in-stream concrete block bridge supports when crossing three (3) Class A wild trout waters during the construction-restricted season from October 1, to April 1, is contrary to Transco's WO&E Permit Nos. E19-311 and E49-336 as described in Paragraph U(7)(i) above, and constitutes unpermitted obstructions and encroachments, in violation of Section 6(a) of the Dam Safety and Encroachment Act, 32 P.S. § 693.6, and Section 105.11(a) of the Dam Safety Regulations, 25 Pa. Code §105.11(a).

ZZ. Transco's failure to effectively monitor and assess weather, run-off, and stream conditions, and to perform stream crossing construction at low-flow conditions is a violation of Transco's WO&E Permit No. E38-195 as described in Paragraph U (7)(iv) above and constitutes a violation of Section 402(b) of the Clean Streams Law, 35 P.S. § 691.402(b).

AAA. Transco's failure to construct or conduct work undertaken under a WO&E permit in accordance with maps, plans profiles, and specifications approved by the Department as described in Paragraphs U(7)(i) and U(7)(iv) above, constitute violations of Section 105.44(a) of the Dam Safety Regulations, 25 Pa. Code § 105.44(a).

BBB. Transco's failure to follow the E&S Plan when constructing an obstruction or encroachment in a manner which minimizes erosion and disturbance of the stream as described in Paragraphs U(7)(i) and U(7)(iv), above constitute violations of Section 105.46(a) and (b) of the Dam Safety Regulations, 25 Pa. Code § 102.4(b)(6).

CCC. The unauthorized release, discharge, or placement of drilling fluids, as described in Paragraphs U(7)(iii) and U(7)(v) above, constitute violations of Sections 301, 307(c), 402 and 611 of the Clean Streams Law, 35 P.S. §§ 691.3, 691.301, 691.307, 691.402, and 691.611.

DDD. The violations described above in Paragraphs MM through CCC, constitute unlawful conduct under Section 611 of The Clean Streams Law, 35 P.S. 691.611, and Section 18 of the Dam Safety and Encroachments Act, 32 P.S. § 693.18; a statutory nuisance under Section 601 of the Clean Streams Law, 35 P.S. 691.601, and Section 19 of the Dam Safety and Encroachments Act, 32 P.S. § 693.19, and subject Transco to a claim for civil penalties under Section 605 of The Clean Streams Law, 35 P.S. 691.605 and Section 21 of the Dam Safety and Encroachments Act, 32 P.S. § 693.21.

After full and complete negotiation of all matters set forth in this CACP 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 Transco:

1. **Assessment.** In resolution of the Department's claim for civil penalties, which the Department is authorized to pursue under Section 605 of the Clean Streams Law, 35 P.S. § 691.605, and Section 21 of the Dam Safety and Encroachments Act, 32 P.S. § 693.21, the Department hereby assesses a civil penalty of \$736,294.11, which Transco hereby agrees to pay.

2. **Civil Penalty Settlement.** Transco consents to the assessment of the civil penalty assessed in paragraph 1, which shall be paid in full upon signing this CACP. This payment is in settlement of the Department's claim for civil penalties for the violations set forth in Paragraphs MM through DDD, above, covering the period from September 25, 2017 through the date of execution of this agreement. The payment shall be by corporate check or the like, made payable to the following: a) payment in the amount of SIX HUNDRED AND EIGHTY THOUSAND DOLLARS (\$680,000.00) to the "Commonwealth of Pennsylvania" and b) payment in the amount of TEN THOUSAND TWENTY-EIGHT DOLLARS AND SIXTEEN CENTS (\$10,028.16) to the "Columbia County Conservation District"; FIVE THOUSAND FIVE HUNDRED EIGHTEEN DOLLARS AND SIXTY-THREE CENTS (\$5,518.63) to the "Lancaster County Conservation District"; FIVE THOUSAND SIX HUNDRED TWENTY-ONE DOLLARS AND EIGHT CENTS (\$5,621.08) to the "Lebanon County Conservation District"; TWENTY-TWO THOUSAND TWO HUNDRED EIGHTY-ONE DOLLARS AND FIFTEEN CENTS (\$22,281.15) to the "Luzerne County Conservation District"; ONE THOUSAND NINE HUNDRED AND NINETY-EIGHT DOLLARS AND FIFTY-TWO CENTS (\$1,998.52) to the "Lycoming County Conservation District"; ONE THOUSAND FIVE HUNDRED FIFTY-TWO DOLLARS AND NINETY-FOUR CENTS (\$1,552.94) to the "Northumberland County Conservation District"; THREE THOUSAND

NINE HUNDRED FORTY-SEVEN DOLLARS AND THIRTY-SIX CENTS (\$3,947.36) to the "Schuylkill County Conservation District"; THREE THOUSAND FOUR HUNDRED FIFTY-FOUR DOLLARS AND ONE CENT (\$3,454.01) to the "Susquehanna County Conservation District"; and ONE THOUSAND EIGHT HUNDRED NINETY-TWO DOLLARS AND TWENTY-SIX CENTS (\$1,892.26) to the "Wyoming County Conservation District". Payment shall be sent to Anthony P. Liguori, Environmental Group Manager, DEP Waterways and Wetlands Program, 208 W. Third Street, Williamsport, PA 17701.

3. Community Environmental Project.

a. Pursuant to the Department's "Policy for the Acceptance of Community Environmental Projects in Conjunction with Assessment of Civil Penalty," Transco shall cause the community environmental project detailed in Exhibit G to be performed in accordance with the implementation schedule set forth therein ("the Project"). Exhibit G is incorporated by reference as though fully set forth herein. The Project involves targeted restoration efforts by the Shamokin Creek Restoration Alliance (SCRA) to reduce water quality impairments to Quaker Run and Buck Run, tributaries within the Shamokin Creek watershed. Guided by recent assessment and comprehensive planning, the Project may include restoration efforts that address stormwater, sewage, sedimentation, riparian and flood zone encroachment, wetland impacts, and other factors contributing to tributary impairment. The Project work is intended to help achieve the Total Maximum Daily Load (TMDL) requirements established for Shamokin Creek Watershed, while bringing water quality improvement to the Susquehanna River and the Chesapeake Bay. The costs associated with the Project are set forth in Exhibit H.

b. Until the completion of the construction and planting stages, Transco shall provide reports to the Department every six months documenting the status of the Project. At the conclusion of construction and planting, Transco shall provide a final report summarizing the status of the Project. For purposes of this agreement, completion of the planting stage will occur when the plantings contemplated in the Project budget have been made. Transco has no reporting requirements with regard to any post-construction monitoring of the wetland plantings. The reports shall be sent to Anthony P. Liguori, Environmental Group Manager, DEP Waterways and Wetlands Program, 208 W. Third Street, Williamsport, PA 17701.

4. The Department has determined that the Project will provide a substantial public health, safety and environmental benefit and that the Project is not something that Transco is otherwise legally required to do. The Department and SCRA have agreed that the value of the Project is ONE HUNDRED THOUSAND DOLLARS (\$100,000), and that in consideration of Transco's agreement to cause the Project to be performed by SCRA, the Department will accept the civil penalty in the amount set forth above in Paragraph 2 in settlement of Transco's civil penalty liability for all matters addressed in this CACP commencing from the start of construction of the project to the date of execution.

5. Transco shall not deduct any costs incurred in connection with or in any way associated with the Project described in Paragraph 3 for any tax purpose or otherwise obtain favorable tax treatment for those costs. If requested to do so by the Department, Transco shall submit an affidavit of the official responsible for the financial affairs of Transco certifying that Transco has not deducted or otherwise obtained favorable tax treatment of any of the costs of the Project.

6. Transco agrees that whenever it publicizes, in any way, the Project, it will state that the Project was undertaken as part of the settlement of an enforcement action with the "Commonwealth of Pennsylvania, Department of Environmental Protection."

7. **Findings.**

a. Transco agrees that the findings in Paragraphs A through DDD are true and correct, and in any matter or proceeding involving Transco or any of their affiliates and the Department, Transco shall not challenge the accuracy or validity of these findings.

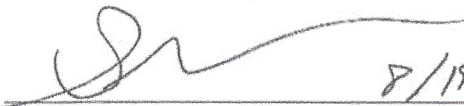
b. The parties do not authorize any other persons to use the findings in this CACP in any matter or proceeding.

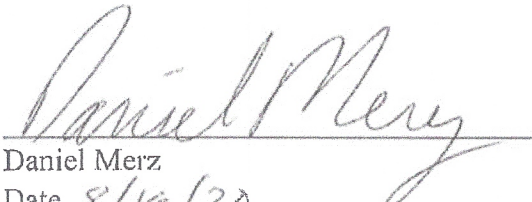
8. **Remedies.** In the event that Transco fails to make the payment required by this CACP, all remaining payments shall be immediately due and payable. In that event, the Department may pursue any remedy available for failure to pay a civil penalty, including an action for breach of contract or the filing of this CACP as a lien in any county in this Commonwealth.


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

IN WITNESS WHEREOF, the parties have caused this CACP to be executed by their duly authorized representatives. The undersigned representatives of Transco certify, under penalty of law, as provided by 18 Pa. C.S. § 4904, that they are authorized to execute this CACP on behalf of Transco, that Transco consents to the entry of this CACP as an ASSESSMENT of the Department; that Transco hereby knowingly waives any right to a hearing under the statutes referenced in this CACP; and, that Transco knowingly waives any right to a hearing under the statutes referenced in this CACP; and that Transco knowingly waives its right to appeal this CACP, which rights may be available under Section 4 of the Environmental Hearing Board Act, the 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 Transco's attorney, Pamela S. Goodwin, certifies only that the agreement has been signed after consulting with counsel.

FOR TRANSCONTINENTAL
GAS PIPE LINE CO., LLC:


8/19/2020
Name *Scott* HALLAM Date
Title Senior Vice President


Daniel Merz
Date 8/19/20
Senior Counsel Transco


8/20/20
Pamela S. Goodwin, Esq. Date
Attorney for Transco

FOR THE COMMONWEALTH OF
PENNSYLVANIA, DEPARTMENT OF
ENVIRONMENTAL PROTECTION:


8/26/2020
Domenic Rocco, P.E. Date
Director
Regional Permit Coordination Office

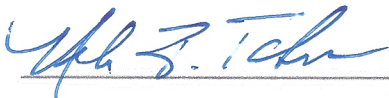

9/2/2020
Nels J. Taber Date
Senior Litigation Counsel

EXHIBIT A

Year	Month	Date of Violation(s)
2017	September	25
	October	3, 6 (2 areas), 11 (2 areas), 12, 13 (2 areas), 17, 18, 19, 25
	November	2 (2 areas), 3, 6, 9, 20, 21, 22, 27
	December	1, 6 (3 areas), 7, 11 (2 areas), 15, 20
2018	January	2, 11 (2 areas), 12, 19, 23, 24, 26, 29, 30
	February	2, 6, 13 (2 areas), 16 (2 areas), 20 (2 areas), 21, 27, 28
	March	1, 6, 8, 27 (2 areas), 29
	April	3, 5, 17, 24, 27
	May	8, 16, 18, 21, 31
	June	8, 12, 14, 26
	July	5, 31 (6 areas)
	August	16, 22, 29

EXHIBIT B

Year	Month	Date of Violation(s)
2017	October	6, 11, 12, 19, 31
	November	1, 3 (2 areas), 6, 9, 13, 14, 16, 20, 21, 22 (2 areas), 27, 29
	December	6, 11, 21(2 areas)
2018	January	2, 10, 11 (2 areas), 19 (2 areas), 22, 23, 24, 26 (2 areas), 29, 30
	February	1, 13, 15, 16 (2 areas), 20, 21, 22, 26, 27, 28 (2 areas)
	March	1 (2 areas), 6 (2 areas), 8, 12,14, 15, 27 (2 areas), 29 (2 areas)
	April	3, 4, 5 (4 areas), 6, 17, 18, 24 (2 areas), 27, 30
	May	2, 8, 10 (2 areas), 16, 23 (3 areas)
	June	4 (4 areas), 8, 11, 12, 13, 14 (2 areas), 19 (2 areas), 27
	July	2 (areas), 5, 18, 20, 31 (6 areas)
	August	8, 16 (3 areas), 21 (3 areas), 22
	September	5 (2 areas), 19 (2 areas), 20, 26

EXHIBIT C

Year	Month	Date of Violation(s)
2017	October	3, 6 (2 areas), 17, 19
	November	3, 6, 9, 13, 15, 21, 22 (2 areas)
	December	6, 21
2018	January	11, 19, 23, 24, 25, 29
	February	1, 16, 20, 22, 26, 27, 28
	March	1, 6
	April	5, 6
	June	8, 14
	July	5
	August	8, 22
	September	5

EXHIBIT D

Year	Month	Date of Violation(s)
2017	November	1-10, 4-15, 11/26-12/1
	December	1-2, 1-6, 2-5, 4-5, 6-8, 7-9 (2 areas), 7-20, 9-11 (2 areas), 12-18, 13-14, 16-20, 12/19-3/20
2018	February	14-27, 21-27, 27, 2/18-3/3 (2 areas), 2/22-3/5
	March	14-19, 19, 20 (2 areas), 22-23, 30, 3/25-4/7

EXHIBIT E

Year	Month	Date of Violation(s)
2017	October	12
	November	22
	December	6 (4 areas)
2018	January	23 (3 areas), 25, 30 (2 areas),
	February	13, 16 (3 areas), 20 (7 areas), 21 (2 areas), 22
	March	1 (3 areas), 6 (2 areas), 8 (2 areas), 14
	April	3, 17 (4 areas), 18
	May	8, 16, 18, 21
	June	4, 11
	July	31 (2 areas)
	August	16

EXHIBIT F

Year	Month	Date of Violation(s)
2017	October	6, 11 (9 areas), 12 (2 areas), 13, 17, 18, 25 (2 areas), 31
	November	2 (5 areas), 6 (3 areas), 9, 13, 20 (4 areas), 21, 22, 27
	December	1 (3 areas), 6 (3 areas), 7, 11 (2 areas)
2018	January	2 (2 areas), 22 (6 areas), 23 (2 areas), 25 (2 areas), 26 (2 areas), 29 (2 areas)
	February	2 (2 areas), 6 (5 areas), 13 (2 areas), 15 (5 areas), 16, 20, 21 (2 areas), 23, 26, 27
	March	1 (7 areas), 6 (2 areas), 8, 12, 14, 15 (3 areas), 26, 27 (3 areas), 29 (2 areas)
	April	3, 4, 5 (6 areas), 6 (2 areas), 18, 24 (4 areas), 25, 27, 30
	May	10, 16, 21 (2 areas), 23 (2 areas), 31 (2 areas)
	June	4 (2 areas), 8 (2 areas), 12 (4 areas), 13, 14 (5 areas), 26, 27
	July	2, 5, 20 (3 areas), 31 (8 areas)
	August	16 (5 areas)
	September	5 (3 areas), 19

EXHIBIT G

Quaker Run Project

This project is located in an environmental justice community, the Borough of Kulpmont, and is situated immediately upstream of the City of Shamokin, an Act 47 Financially Distressed Municipality. It consists of two components to be constructed by the Shamokin Creek Restoration Alliance during the fall construction season of 2020 and extending into the spring/summer construction season of 2021, with all plantings put in place by September 30, 2021. The first portion of the project will focus on restoration of a porous section of streambed and severely eroded streambanks of Quaker Run located within the Borough of Kulpmont at the Veterans Memorial Field recreation area. The Borough has already given permission for this work to be performed on their property.

The second portion of the project will include construction of a stormwater retention system consisting of constructed wetlands on property owned by Susquehanna Coal Company downstream from Veterans Memorial Field. This stormwater retention system will capture the stormwater generated east of 12th Street in the Borough and hold approximately 75% of the Borough's runoff. It is anticipated that this land will ultimately be donated by Susquehanna Coal and become part of the Veterans Memorial Field recreation area.

The proposed restoration work will help meet the TMDL requirements established by the Total Maximum Daily Loads for the Shamokin Creek Watershed. The Shamokin Creek



Quaker Run Watershed in January. Note the thick level of metal contaminated deposition on the streambed.

Watershed is impaired for metals. The TMDL specifically calls for load reductions of 1,183.3 lbs./day for iron, 230.8 lbs./day of manganese, and 10.4 lbs./day of aluminum from Quaker Run.

According to the 2016 Integrated List of Impaired waters, the majority of the 137 square mile Shamokin Creek Watershed is impaired for metals due to Abandoned Mine Drainage. Shamokin Creek Watershed includes dozens of mine drainage discharge sites and miles of streams to assess

and restore. Since the early 1970s, scientists, volunteers, and conservation professionals have studied the overall watershed to determine macro-scale impairments, to identify mine discharge locations, and to implement pilot projects to begin restoring the highly degraded streams. With the large size of the watershed and lack of detail on particular stream reaches, the work thus far has been scattered and sporadic. In 2019, Shamokin Creek Restoration

Alliance (SCRA) received a Growing Greener Plus Grant to work with Clauser Environmental, LLC to complete an assessment report and restoration plan for Quaker Run and Buck Run Watersheds.

Quaker Run is listed in the 2016 Integrated List as impaired for metals due to abandoned mine drainage. A USGS study in 1999 found that no fish were living within Quaker Run due to pollution. Sample data used in drafting the TMDL state that pH ranges between 6.30 and 6.80 with an average pH of 6.61. With that, reductions in acidity are not needed from Quaker Run to meet the TMDL. The TMDL for Shamokin Creek Watershed states that heavy deposition of metals onto the streambed of Quaker Run has made the conditions inhospitable for macroinvertebrate life. That statement has been confirmed during the current assessment. Buck Run is heavily impacted by abandoned mine drainage with several mine discharges in the watershed and would meet the criteria for being impaired if assessed. Water quality improvement within these watersheds will have positive impacts to Shamokin Creek, the Susquehanna River, and the Chesapeake Bay.

EXHIBIT H

Item Description		Units	Unit Cost	Total
Contracted/Professional Services (Cash Costs)				
	Site Survey	1	3,000.00	\$3,000.00
	Professional Design	1	7,000.00	\$7,000.00
	GP-7 Steam Permit	1	500.00	\$500.00
	%01 Building Permit	1	1,000.00	\$1,000.00
	Tree Removal/Grubbing	1	8,000.00	\$8,000.00
	Storm Water Influent Structures	3	4,000.00	\$12,000.00
	Storm Water Effluent Structure	1	8,000.00	\$8,000.00
	Earth Moving (includes streambank/streambed work)	1	58,500.00	\$58,500.00
	Final Seeding/Wetland Plants	1	2,000.00	\$2,000.00
Volunteer Services (Non-Cash Costs)				
	Seeding/Planting Labor	1		\$0.00
	Signage Installation	1		\$0.00
Totals				\$100,000.00