

Mariner East and Revolution Fund and Fines

Establishment of Fund

Sunoco Pipeline LP (Sunoco) shall pay \$442,500 to establish a fund directly for the creation and operation of a Homeowner Well Water Supply Grievance Program¹ (the “Grievance Program”).

Fines

In addition to the fund, Sunoco shall pay a fine of \$57,500 to the Clean Water Fund pursuant to the Clean Streams Law. The \$57,500 shall consist of the payment of \$2,500 for each of the 14 counts related to Mariner and 9 counts related to Revolution as set forth in the plea agreement.

Homeowner Well Water Supply Grievance Program

The Office of the Attorney General (OAG) shall establish a Homeowner Well Water Supply Grievance Program. Procedures for the program are outlined below.

Purpose and Scope of Grievance Program

The purpose of the Grievance Program shall be to provide Qualified Homeowners (defined below) or Additional Homeowner Complainants (defined below) the services of a Designated Professional Geologist (PG) in order to evaluate potential water quality impacts from the construction of the Mariner East 2 pipeline (ME2) and offer approved mechanisms for restoring or replacing the impacted private water supply. The PG will determine whether Sunoco’s construction of ME2 impacted the homeowner’s water supply which shall mean an adverse impact to the quality or quantity of the water supply in the water supply well. If an impact has occurred, the PG will issue a report with approved mechanisms to restore or replace the impacted private water supply. The PG report shall be issued to the Qualified Homeowner or Additional Homeowner Complainant as applicable, the OAG, Sunoco and to the Pennsylvania Department of Environmental Protection (DEP). Appeals processes for both the homeowner and Sunoco are defined below.

Qualified Homeowners

Qualified Homeowners are those who assert that their water supply has been impacted by the construction of the Mariner East 2 Pipeline² in response to receipt of the Grievance Program Notification Letter (Notification Letter) from the OAG and have submitted a complaint to the OAG no later than two (2) weeks following Sunoco’s nolo contendere plea and sentencing, which will occur on the same day. Qualified Homeowners shall not include any homeowner who previously settled with Sunoco, is in litigation with Sunoco or has retained counsel and is currently and actively negotiating a claim with Sunoco.

¹ Should the fund need additional monies to cover all complaint investigations, the Office of Attorney General may, at its discretion, utilize money from the separate fund that will be instituted to support water quality improvement projects.

² The designated Professional Geologists will serve as the arbiter of whether any homeowner’s complaint falls within the appropriate criteria to warrant further analysis.

Designated Professional Geologist

The OAG and Sunoco will agree to three (3) professional geologists who will serve as Designated Professional Geologists (PG). The PG's will have the requisite professional skills and experience to perform the evaluations and render the Report on whether Sunoco's construction of ME2 has impacted the homeowner's water supply and what mechanisms are approved to restore or replace the impacted private water supply.

Grievance Procedure for Qualified Homeowners

1. The OAG will send the Notification Letter to every owner of a private water supply on the list previously provided³. If the homeowner asserts that its private well has been impacted by construction of ME2, the homeowner must submit a complaint to the OAG with their name, address, and basis for a complaint related to the construction of the Mariner East 2 pipeline no later than two (2) weeks following Sunoco's nolo contendere plea and sentencing, which will occur on the same day. The homeowner may also provide copies of complaints previously made to DEP and include any prior correspondence with DEP and/or Sunoco regarding the claim. Sunoco will cooperate and provide any reasonable information regarding construction activities in the vicinity of the homeowner to the PG.
2. The PG shall review all complaints to determine if additional testing and analysis is needed in order to render a decision on the complaint. If the PG determines that no additional testing is needed, Sunoco will have no further obligations to that Qualified Homeowner under this agreement. The costs incurred by the PG to make this initial determination, as negotiated by the OAG, shall be paid for by the established fund.
3. If further testing is recommended by the PG, the Qualified Homeowner may select, in their sole discretion, one of the other two (2) Designated Professional Geologists to analyze their water supply and issue a Report (Report) as to whether the construction of ME2 impacted the Qualified Homeowner's water supply and what mechanisms are approved to restore or replace the impacted private water supply. The costs incurred by the PG, as negotiated by the OAG, shall be paid for by the established fund.
4. Upon issuance of the Report by the PG, if the Qualified Homeowner or Sunoco disagrees with the conclusion of the Report, the Qualified Homeowner or Sunoco can appeal that decision to the remaining PG. That PG shall review the Report and either confirm or reverse the conclusion in the Report. The costs incurred by the PG, as negotiated by the OAG, shall be paid by the established fund. The decision of the second PG shall be final and binding on all parties within the scope of the Grievance procedure, solely on the issue of whether Sunoco's construction of ME-2 impacted the private water supply, but is not binding with respect to the PG's approved mechanisms for restoring or

³ See the ME2 Well Line List Tracker.

replacing the impacted water supply. The PG's final decision regarding approved mechanisms for restoring or replacing the impacted private water supply will be handled pursuant to the procedures set forth in paragraph 6 below.

5. If the final decision is that there was no impact due to construction of the Mariner East 2 pipeline, Sunoco shall have no further obligations to that Qualified Homeowner under this agreement.
6. If the final decision is that an impact attributable to Sunoco occurred, that final binding decision and the PG's non-binding recommendation for approved mechanisms to restore private water supply will be sent to DEP. Sunoco is obligated to restore or replace the impacted private water supply in quantity and quality for the purposes served by the supply pursuant to applicable laws and regulations and Sunoco's Chapter 105 permits for ME-2. The cost of restoration or replacement of the impacted water supply will be solely borne by Sunoco and will not be withdrawn from the \$442,500 fund. The mechanism to restore or replace the water supply will be submitted to DEP for approval. DEP's approval or denial of the mechanism to restore or replace the water supply may be appealed by the Qualified Homeowner or Sunoco to the Pennsylvania Environmental Hearing Board (EHB). All parties retain all rights and defenses during this process. Nothing in this Grievance Procedure prevents a Qualified Homeowner and Sunoco from agreeing to the mechanism for restoring or replacing the impacted private water supply prior to DEP rendering a final decision or during an appeal to the EHB.

Grievance Procedures for Additional Homeowner Complainants

1. The Grievance Procedure above applies only to Qualified Homeowners.
2. In the event a homeowner who is not a Qualified Homeowner ("Additional Homeowner Complainants") makes a claim to the OAG that their private water supply has been impacted by Sunoco's construction of ME-2 no later than two (2) weeks following Sunoco's nolo contendere plea and sentencing, which will occur on the same day, the OAG can use the Designated Professional Geologists to evaluate these claims. Additional Homeowner Complainants must provide the OAG with the same information regarding their claim that is required of Qualified Homeowner's in paragraph 1 above. The costs incurred by the PG, as negotiated by the OAG, shall be paid for by the established fund.
3. Sunoco shall not be bound by any decision by the Designated Professional Geologist regarding a claim made by Additional Homeowner Complainants, and Sunoco reserves all rights to challenge any such decision, including but not limited to in an appeal before the EHB.

Scope Limitation

The Grievance Program shall not establish any rights, procedures, causes of action against Sunoco beyond the limited procedures established herein. Further, Qualified Homeowner's cannot use Sunoco's agreement herein to restore or replace the impacted water supply as evidence in any subsequent proceeding.

Termination

The Homeowner Well Water Supply Grievance Program will terminate once payment is made to the Clean Water Fund and all reports have been issued. At that time, any remaining balance of the fund can be used for water quality improvement projects in watersheds where the Mariner East 2 pipeline construction occurred.