Pegasus pipeline: northern segment remedial work plan

We take our responsibility to communities in which we operate very seriously. After a thorough review of all the factors that contributed to the Mayflower incident, we are ready to submit a remedial work plan that includes multiple layers of integrity verification measures.

Pipeline Facts

- The northern segment of the Pegasus pipeline:
  - runs 648 miles from Patoka, Illinois - through Missouri and Arkansas - to Corsicana, Texas
  - primarily contains pre-1970 low-frequency electric resistance welded pipe
  - was manufactured by the Youngstown Sheet and Tube Company, which was one of the largest manufacturers of electric resistance welded pipe in the 1940s when the northern segment was built

Detailed Investigation

- Investigation and analysis is now complete and incorporates input from a wide range of leading technical experts in the pipeline industry and global expertise across our corporation
- The root cause of the pipeline failure was original manufacturing defects in the low-frequency electric resistance weld seam
- Investigation points to the atypical pipe properties as the most significant contributing factor that led the original manufacturing defects to grow to failure
- The combination of extreme metallurgical properties detected in the ruptured joint of pipe has not been detected anywhere else on the Pegasus pipeline or other ExxonMobil pipelines with similar manufacturing methods and specifications

Multiple Layers of Integrity Verification

- The remedial work plan includes multiple layers of integrity verification measures to address the entire northern segment in a manner that ensures the safety of all communities along the segment:
  - Conduct integrity excavations using proven, industry best practices to test and/or repair anomalies identified
  - Incorporate other safety improvements, such as an additional remotely controlled valve, in certain locations along the pipeline
  - Conduct a spike hydrostatic test - in addition to a standard hydrostatic test - along the entire northern segment
  - Proposed spike hydrostatic test is designed to test the pipeline significantly beyond its maximum operating pressure, intentionally stressing the pipe to remove or prove the absence of critical defects
- We expect this process to take more than a year to complete and we will only restart the pipeline once we are convinced it is safe to do so and have the approval of PHMSA

ExxonMobil Pipeline