Risk Factors Comparison 2024-02-16 to 2023-02-16 Form: 10-K

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You should carefully consider the following risks and other information in this Form 10- K. Any of the following risks and uncertainties could materially adversely affect our business, financial condition and results of operations. Risks Relating to Our Business Operational Risks Any significant decrease in demand or in production of natural gas in our asset footprint could materially adversely affect our business, financial condition and results of operations. Our business is dependent on the continued availability of and demand for natural gas in our areas of operation, which include the Midwestern U. S., Eastern Canada, Northeastern U. S. and Gulf Coast regions. A reduction in the natural gas volumes supplied by producers could result in reduced throughput on our systems and **corresponding service revenues** ~~materially adversely affect our business, financial condition and results of operations~~ . The primary factors affecting our ability to obtain sources of natural gas include (i) the level of successful drilling activity near our systems, (ii) our ability to compete for volumes from successful new wells and (iii) our ability to compete successfully for volumes from sources connected to other pipelines. To maintain or increase the contracted capacity or the volume of natural gas **gathered,** transported ~~,~~ **and** stored ~~and gathered~~ on our systems and cash flows associated therewith, our customers must continually obtain adequate supplies of natural gas. If new supplies of natural gas are not obtained to replace the natural decline in volumes from existing supply basins in our areas of operation, or if natural gas supplies are diverted to serve other markets, the overall volume of natural gas gathered, transported and stored on our systems would decline, which could materially adversely affect our business, financial condition and results of operations. We have several customers with one being a key customer, Southwestern Energy. The loss of, or reduction in volumes from, this customer could result in a decline in demand for our services and materially adversely affect our business, financial condition and results of operations. Southwestern Energy accounted for approximately ~~65~~ **60** % of our operating revenues for the year ended December 31, ~~2022~~ **2023** . Our operating revenues do not include revenues of unconsolidated joint ventures accounted for as equity method investments. The loss of all or even a portion of the contracted volumes of this or other customers, the failure to extend or replace ~~these~~ **customer** contracts **,** or the extension or replacement of ~~these~~ **customer** contracts on less favorable terms, as a result of competition, creditworthiness, reduced **natural gas** production or otherwise, could materially adversely affect our business, financial condition and results of operations. We may be unable to renew or replace expiring contracts at favorable rates or on a long- term basis. One of our exposures to market risk occurs **when** ~~at the time~~ our existing contracts, including both our contracts with ~~existing~~ customers and our contracts with ~~our~~ suppliers and other counterparties, expire and are subject to renegotiation and renewal. The majority of our **customer** contracts are firm service revenue contracts. Firm service revenue contracts are typically long- term and structured using fixed demand charges or MVCs with fixed deficiency fee rates. This provides for fixed revenue commitments regardless of actual volumes of natural gas that flow, which leads to more stable operating performance, revenues and cash flows and limits our exposure to natural gas price fluctuations. We may ~~not~~ be ~~able~~ **unable** to renew or replace these contracts at expiration, and our efforts to negotiate for similar fixed revenue commitments may ~~not~~ be ~~successful~~ **unsuccessful** , which could cause our exposure to ~~commodity~~ **natural gas** price risk to change or adversely affect the stability of our cash flows. If third- party pipelines and other facilities interconnected to our assets become unavailable to transport natural gas, **it could materially adversely affect** our business, financial condition and results of operations ~~could be materially adversely affected~~ . We depend upon third- party pipelines and other facilities that provide receipt and delivery options to and from our assets. For example, our pipelines interconnect with multiple interstate pipelines in the Midwestern U. S., Eastern Canada, Northeastern U. S. and Gulf Coast regions and a significant number of intrastate pipelines. Because we do not own these third- party pipelines or facilities, their continuing operation is not within our control. If these pipeline connections ~~were to~~ become unavailable for current or future volumes of natural gas due to testing, turnarounds, repairs, maintenance, damage, reduced operating pressure, lack of capacity, regulatory requirements or any other reason, our ability to operate efficiently and continue shipping natural gas to end markets could be restricted, thereby reducing our revenues. Any temporary or permanent interruption at any key pipeline interconnect or other downstream facility utilized to move our customers' product to their end destination that causes a material reduction in volumes transported on our pipelines could materially adversely affect our business, financial condition and results of operations. In addition, the rates charged by treating plants, pipelines and other facilities interconnected to our assets affect the utilization and value of our services. Significant changes in the rates charged by these third parties, or the rates charged by the third parties that own" downstream" assets required to move commodities to their final destinations, could materially adversely affect our business, financial condition and results of operations. Our operations are subject to operational hazards, unforeseen interruptions and damage caused by third parties and natural events. If a significant accident or event occurs that results in a business interruption or damage to our pipelines, storage and gathering systems, the facilities of our customers or other interconnected pipelines and facilities, **it could materially adversely affect** our business, financial condition and results of operations ~~could be materially adversely affected~~ . Our operations, our customers' operations and other interconnected pipelines and facilities are subject to many **operational** hazards, including (i) damage to pipelines, facilities, equipment, environmental controls and surrounding properties, including damage resulting from **landslide and ground movement** slippage; (ii) leaks, migrations or losses of natural gas and other hydrocarbons, water, brine, other fluids and hazardous chemicals that we handle in our treating and other operations; (iii) inadvertent damage from third parties, including from construction, farm and utility equipment; (iv) uncontrolled releases of natural gas and other hydrocarbons; (v) ruptures, fires and explosions; (vi) product and waste spills and unauthorized discharges of products, wastes and other pollutants; (vii) pipeline freeze- offs due to cold weather; (viii) operator error; (ix) aging infrastructure, mechanical or other performance problems; (x) damages to and loss of availability of interconnecting third- party pipelines, railroads and terminals; (xi) disruption or failure of information technology systems and network infrastructure; (xii) floods; (xiii) severe weather; (xiv) lightning and (xv) terrorism. These risks could result in loss of human life, personal injuries, significant **property** damage ~~to property~~ , environmental pollution, impairment of our operations, regulatory investigations and penalties and substantial **financial** losses ~~to us~~ . The location of certain segments of our systems in or near populated areas, including residential areas, commercial business centers and industrial sites, could increase the damages resulting from these risks. In spite of any precautions taken, the occurrence of an event such as those described above that is not fully covered by insurance could materially adversely affect our business, financial condition and results of operations. In addition, these risks could materially impact or completely prevent our customers' from performing their respective obligations under our commercial agreements, which, in turn, could materially adversely affect our business, financial condition and results of operations. Expansion projects or acquisitions that are expected to be accretive may nevertheless reduce our cash from operations and could materially adversely affect our business, financial condition and results of operations. Even if we complete expansion projects or acquisitions that we believe will be accretive, these expansion projects or acquisitions may nevertheless reduce our cash from operations and could materially adversely affect our business, financial condition and results of operations. Any expansion project or acquisition involves potential risks, including, among other things: (i) service interruptions or increased downtime associated with our projects; (ii) a decrease in our liquidity; (iii) an inability to complete expansion projects or acquisitions on schedule or within the budgeted cost; (iv) the assumption of unknown liabilities when making acquisitions for which we are not indemnified or for which our indemnity is inadequate; (v) the diversion of our management' s attention from other business concerns; (vi) mistaken assumptions about the overall costs of equity or debt, demand for our services, supply volumes, reserves, revenues and costs, ~~including~~ synergies and potential growth; (vii) an inability to secure adequate customer commitments to use the expanded or acquired systems or facilities; (viii) an inability to successfully integrate the businesses we build or acquire; (ix) an inability to receive cash flows from a newly built asset until it is operational; and (x) unforeseen difficulties operating in new ~~product~~ **service** areas or new geographic areas. We have entered into joint ventures, and may in the future enter into additional or modify existing joint ventures, which might restrict our operational and corporate flexibility. In addition, these joint ventures are subject to most of the same operational risks to which we are subject. We conduct a meaningful portion of our operations through joint ventures with third parties, including through our interests in ~~the~~ Vector ~~Pipeline~~ , Millennium ~~Pipeline~~ , NEXUS and Generation ~~Pipeline~~ , and we may enter into additional joint venture arrangements in the future. Generally, we do not operate the assets owned by these joint ventures and our control over their operations is limited by the applicable governing provisions of such joint venture agreements. In certain cases, we could have limited ability to influence or control certain day- to- day activities affecting the operations, the amount of capital expenditures that we ~~are~~ **may be** required to fund with respect to these operations and the amount of cash we will receive from the joint venture. We also could be dependent on ~~third~~ **our joint venture** ~~parties~~ **partners** to fund their required share of capital expenditures and be exposed to third party credit risk through our contractual arrangements with our joint venture partners. Additionally, we may be subject to restrictions or limitations on our ability to sell or transfer our interests in the jointly owned assets, and we may be required to offer business opportunities to the joint venture, or rights of participation to other joint venture partners or participants in certain areas of mutual interest. In addition, our joint venture arrangements may involve risks not otherwise present when operating assets directly. We may incur liabilities as a result of an action taken by our joint venture partners and may be required to devote significant management time to the requirements of and matters relating to the joint ventures. Our joint venture partners may be in a position to take actions contrary to our instructions or requests **,** or contrary to our policies or objectives. Any disputes between us and our joint venture partners may result in delays, litigation or operational impasses. The risks described above or the failure to continue our joint ventures or to resolve disagreements with our joint venture partners could adversely affect our ability to conduct business that is the subject of a joint venture, which could in turn materially adversely affect our business, financial condition and results of operations. In addition, these joint ventures are subject to most of the same operational risks to which we are subject and the impact of any of these operational risks on our joint ventures' respective business, financial condition or results of operations could in turn materially adversely affect our business, financial condition and results of operations. We do not own the majority of the land on which **our** assets are located, which could disrupt our current and future operations. We do not own the majority of the land on which our assets are located, and we are therefore subject to the possibility of more onerous terms and increased costs or delays to retain necessary land use rights required to conduct our operations if we do not have valid rights- of- way, if such rights- of- way lapse or terminate or if our facilities are not properly located within the boundaries of such rights- of- way. If we were to be unsuccessful in negotiating or renegotiating rights- of- way, we might have to institute condemnation proceedings on our FERC regulated assets or relocate our facilities for non- regulated assets. Restrictions on our ability to use our rights- of- way, through our inability to renew right- of- way contracts or otherwise, or a relocation could materially adversely affect our business, financial condition and results of operations. Additionally, even when we own an interest in the land on which our assets are located, agreements with correlative rights owners may require us to relocate pipelines and facilities, shut in storage facilities to facilitate the development of the correlative rights owners' estate or pay the correlative rights owners the lost value of their estate if they are not willing to accommodate development. We face and will continue to face opposition to the development or operation of our assets from various groups. We face and will continue to face opposition to the development or operation of our assets from environmental groups, landowners, local and national groups, activists and other advocates. Such opposition could take many forms, including organized protests, attempts to block, vandalize or sabotage our development or operations, intervention in regulatory or administrative proceedings involving our assets directly or indirectly, lawsuits, legislation or other actions designed to prevent, disrupt or delay the development or operation of our assets and business. Any such event that delays or interrupts the revenues generated, or expected to be generated, by our operations, or which causes us to make significant expenditures not covered by insurance, could materially adversely affect our business, financial condition and results of operations. The expansion of our existing assets and construction of new assets is subject to economic, market, regulatory, environmental, political, and legal risks, which could materially adversely affect our business, financial condition and results of operations. If we are unable to complete expansion projects, our future growth may be limited. We may be unable to complete successful, accretive expansion projects for many reasons, including economic and market risks such as an inability to identify attractive expansion projects; an inability to successfully integrate the infrastructure we build; an inability to raise financing for expansion projects on economically acceptable terms; and because some of our competitors may be better positioned to compete for certain expansion projects that we believe would be accretive. In addition, the construction of additions or modifications to our existing energy infrastructure assets, and the construction of other new energy infrastructure assets, involve numerous regulatory, environmental, political and legal uncertainties beyond our control. The development and construction of pipeline and gathering infrastructure and storage facilities expose us to construction risks such as: (i) the failure of third parties to meet their contractual requirements; (ii) environmental hazards; (iii) adverse weather conditions; (iv) the performance of third- party contractors; and (v) the lack of available skilled labor, equipment and materials. Certain of our internal growth projects may require regulatory approval from U. S. federal and state authorities and Canadian authorities prior to construction. The approval process for storage and transportation projects located in the Northeast has become increasingly challenging, due in part to state and local concerns related to unregulated exploration and production and gathering activities in new production areas, including the Marcellus / Utica formations. In addition, ~~the~~ FERC is considering modifying its policy governing the issuance of interstate natural gas pipeline authorizations, in part to address concerns about climate change **. Policy and regulatory changes relating to the implementation of NEPA may increase scrutiny of environmental impacts associated with our projects** . Authorizations required for our projects under existing or future agency policies may not be granted or, if granted, such authorization may include burdensome or expensive conditions. Failure to retain and attract key executives and other skilled professional and technical employees could materially adversely affect our business, financial condition and results of operations. Our business is dependent on our ability to attract, retain and motivate employees. We rely on our management team, which has significant experience in the midstream industry, to manage our day- to- day affairs and establish and execute our strategic and operational plans. The loss of any of our key executives or the failure to fill new positions created by expansion, turnover or retirement could adversely affect our ability to implement our business strategy. In addition, our operations require engineers, operational and field technicians and other highly skilled employees. The competition for talent has become increasingly intense, and we may experience increased employee turnover, increased wage inflation or an impediment of our ability to execute certain key strategic initiatives due to a tightening labor market and skilled labor shortages. Failure to successfully attract and retain an appropriately qualified workforce could materially adversely affect our business, financial condition and results of operations. The lack of diversification of our assets and geographic locations could materially adversely affect our business, financial condition and results of operations. We rely primarily on revenues generated from our pipeline, storage and gathering systems, substantially all of which are located in the Midwestern U. S., Eastern Canada, Northeastern U. S. and Gulf Coast regions. Due to our lack of diversification in assets and geographic location, an adverse development in these businesses or our areas of operations, including adverse developments due to catastrophic events, weather, regulatory action, state and local political activities, availability of equipment and personnel, local prices, producer liquidity and decreases in demand for natural gas could have a more significant impact on our business, financial condition and results of operations than if we maintained more diverse assets and locations. Liquidity, Credit and Financial Risks We may not have access to additional financing sources on favorable terms, or at all, which could materially adversely affect our business, financial condition and results of operations, and independent third parties determine our credit ratings outside of our control. The cost of capital for our business depends, in part, on our credit ratings; general market conditions; the market' s perception of our business risk and growth potential; our current debt levels; interest rate changes; our current and expected future earnings; our cash flow; and the market price per share of our common stock. In part based on our current credit ratings, potential lenders may be unwilling or unable to provide us with financing that is attractive to us, may increase collateral requirements or may charge us prohibitively high fees in order to obtain financing. Consequently, our ability to access the credit market in order to attract financing on reasonable terms may be adversely affected. Depending on market conditions at the relevant time, we may have to rely more heavily on additional equity financings or on less efficient forms of debt financing that require a larger portion of our cash flow from operations, thereby reducing funds available for our operations, future business opportunities and other purposes. We may not have access to such equity or debt capital on favorable terms, at the desired times, or at all. In addition, declines in our credit ratings may influence our suppliers' and customers' willingness to transact with us, and we may be required to make prepayments or provide security to satisfy credit concerns. Fluctuations in energy prices could materially adversely affect our business, financial condition and results of operations. Fluctuations in energy prices can greatly affect the development of new natural gas reserves. Drilling and production activity generally decreases as commodity prices decrease. In general terms, the prices of natural gas, oil and other hydrocarbon products fluctuate in response to changes in supply and demand, market uncertainty and a variety of additional factors that are beyond our control. These factors include (i) worldwide political and economic conditions; (ii) weather conditions and seasonal trends; (iii) the levels of domestic production and consumer demand; (iv) the availability of imported and exported natural gas, LNG and other commodities; (v) the ability to export LNG; (vi) the availability of transportation systems with adequate capacity; (vii) the volatility and uncertainty of regional pricing differentials and premiums; (viii) the price and availability of alternative fuels; (ix) the effect of energy conservation measures; and (x) governmental regulation and taxation. Prices of natural gas have been historically volatile, and we expect this volatility to continue. Consequently, even if new natural gas reserves are discovered in areas served by our assets, producers may choose not to develop those reserves. Sustained declines in natural gas prices could have a negative impact on exploration, development and production activity and could lead to a material decrease in such activity, which could result in reduced throughput on our systems and materially adversely affect our business, financial condition and results of operations. See also" — Any significant decrease in demand or in production of natural gas in our asset footprint could materially adversely affect our business, financial condition and results of operations". We are exposed to our customers' credit risk and our credit risk management and contractual terms may be inadequate to protect against such risk. We are subject to the risk of loss resulting from nonpayment or nonperformance by our customers in the ordinary course of our business. While some of our customers are rated investment grade, others have sub-investment grade ratings (including our key customer, Southwestern Energy). These customers are otherwise considered creditworthy or are required to make prepayments or provide security to satisfy credit concerns. However, our credit procedures and policies may not be adequate to fully eliminate customer credit risk. If we fail to adequately assess the creditworthiness of existing or future customers, the unanticipated deterioration in their creditworthiness and any resulting increase in nonpayment or nonperformance by them could materially adversely affect our business, financial condition and results of operations. Our existing and future level of debt may limit our flexibility to obtain additional financing and to pursue other business opportunities. As of December 31, ~~2022~~ **2023**, we had outstanding approximately $ 2. 1 billion of senior notes, $ 600 million of senior secured notes, $ 399 million of indebtedness under our Term Loan Facility and $ ~~330~~ **165** million of borrowings under our Revolving Credit Facility. Our existing and future level of debt could have important consequences to us, including the following **:** (i) our ability to obtain additional financing, if necessary, for working capital, capital expenditures, acquisitions or other purposes may be impaired, or such financing may not be available on favorable terms; (ii) the funds that we have available for operations and payment of dividends to shareholders will be reduced by that portion of our cash flow required to make principal and interest payments on outstanding debt; and (iii) our debt level could make us more vulnerable to competitive pressures than competitors with less debt or to a downturn in our business or the economy generally. Our ability to service our debt will depend upon, among other things, our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond our control. In addition, our ability to service debt under our Revolving Credit Facility, our Term Loan Facility and other debt facilities with floating rate terms will depend on market interest rates, since we anticipate that the interest rates applicable to our borrowings will fluctuate with movements in interest rate markets. If our operating results are not sufficient to service our current or future indebtedness, we will be forced to take actions such as reducing dividends, reducing or delaying our business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing our debt, or seeking additional equity capital. We may not be able to effect any of these actions on satisfactory terms, or at all. Increases in interest rates could increase our interest expense and may adversely affect our cash flows, our ability to service our indebtedness and our ability to pay dividends to our shareholders. Our Term Loan Facility and borrowings under our Revolving Credit Facility have, and we may in the future enter into debt instruments with, variable interest rates. Beginning early in 2022, in response to growing signs of inflation, the Federal Reserve has increased interest rates rapidly. ~~Further, the Federal Reserve has increased the benchmark rapidly and has announced an intention to take further actions to mitigate inflationary pressures.~~ Increases in interest rates on variable rate debt will increase our interest expense unless we make arrangements to hedge the risk of rising interest rates. These increased costs could reduce our profitability, reduce our credit availability, limit our ability to pursue growth opportunities, impair our ability to meet our debt obligations, increase the cost of financing, place us at a competitive disadvantage and materially adversely affect our business, financial condition, cash flows and results of operations. An increase in interest rates also could limit our ability to refinance existing debt upon maturity or cause us to pay higher rates upon refinancing. Restrictions under our existing or any future credit facilities, indentures and senior notes could adversely affect our business, financial condition, results of operations and ability to pay dividends to our shareholders. Our existing **Revolving** ~~credit~~ **Credit** ~~facilities~~ **Facility** and the indenture governing our senior notes limit our ability to, and any future credit facility or indenture we may enter into might limit our ability to, among other things: (i) incur additional indebtedness or guarantee other indebtedness; (ii) grant liens or make certain negative pledges; (iii) make certain dividends or investments; (iv) engage in transactions with affiliates; (v) transfer, sell or otherwise dispose of all or substantially all of our assets; or (vi) enter into a merger, consolidate, liquidate, wind up or dissolve. Furthermore, our existing **Revolving** ~~credit~~ **Credit** ~~facilities~~ **Facility** ~~contain~~ **contains**, or any future credit facility or indenture we may enter into may also contain, covenants requiring us to maintain certain financial ratios and tests. If we violate any of the restrictions, covenants, ratios or tests in the applicable credit facility or indentures, the lenders thereunder will be able to accelerate the maturity of all borrowings under the credit facility and demand repayment of amounts outstanding, and our lenders' commitment to make further loans to us may terminate. We might not have, or be able to obtain, sufficient funds to make these accelerated payments. Any subsequent replacement of our **Revolving** ~~credit~~ **Credit** ~~facilities~~ **Facility** or any new indebtedness could have similar or greater restrictions. For more information, see the section entitled" Management' s Discussion and Analysis of Financial Condition and Results of Operations — Capital Resources and Liquidity". Continuing inflation and cost increases may impact our sales margins and profitability. Inflationary pressure could adversely impact our profitability. Our operating costs have increased with the market and may continue to increase, due to the recent growth in inflation which has impacted product costs, labor rates, and domestic transportation. We may not be able to fully offset these inflation increases by raising prices for our services, which could result in downward pressure on our results of operations. If our intangible assets or goodwill become impaired, we may be required to record a charge to earnings. We annually review the carrying value of goodwill associated with business combinations we have made for impairment. Our intangible assets and goodwill are also reviewed whenever events or circumstances indicate that the carrying value of these assets may not be recoverable. Factors that may be considered for purposes of this analysis include a decline in stock price and market capitalization, slower industry growth rates, changes in cost of capital or material changes with customers or contracts that could negatively impact future cash flows. We cannot predict the timing, strength or duration of such changes or any subsequent recovery. If the carrying value of any of our intangible assets or goodwill is determined to be not recoverable, we may take a non- cash impairment charge, which could materially adversely affect our business, financial condition and results of operations.

Regulatory Risks The adoption of legislation and introduction of regulations relating to hydraulic fracturing and the enactment of new or increased severance taxes and impact fees on natural gas production could cause our current and potential customers to reduce the number of **future** wells or curtail production of existing wells. If reductions are significant for those or other reasons, the reductions could materially adversely affect our business, financial condition and results of operations. The U. S. Congress has from time to time considered the adoption of legislation to provide for U. S. federal regulation of hydraulic fracturing, while a growing number of states, including some of those in which we operate, have adopted, and other states are considering adopting, regulations that could impose more stringent disclosure and **/ or** well construction requirements on hydraulic fracturing operations. Some states, such as Pennsylvania, have imposed fees on the drilling of new unconventional oil and gas wells. ~~States could elect to prohibit hydraulic fracturing altogether, as was announced in December 2014 with regard to hydraulic fracturing activities in New York.~~ Also, certain local governments have adopted, and additional local governments may further adopt, ordinances within their jurisdictions regulating the time, place and manner of drilling activities in general or hydraulic fracturing activities in particular. Further, several U. S. federal governmental agencies **, including the EPA and the U. S. Department of Energy,** have conducted or are conducting reviews and studies on the environmental aspects of hydraulic fracturing ~~, including the Environmental Protection Agency, which we refer to as the" EPA~~ . ~~"~~ **These completed, ongoing** ~~For~~ **or proposed studies** ~~example, in December 2016, the EPA issued its final report~~ on ~~a study it had conducted over several years regarding~~ the ~~effects~~ **environmental aspects** of hydraulic fracturing **, depending** on ~~drinking water sources. The final report, contrary to several previously published draft reports issued by the EPA, found instances in which impacts to drinking water may occur. However, the report also noted significant data gaps that prevented the EPA from determining the extent or severity of these impacts. The report, or other~~ **their degree** ~~reviews or studies on the environmental aspects~~ of ~~hydraulic fracturing~~ **pursuit and any meaningful results obtained** , could spur initiatives to further regulate hydraulic fracturing ~~. Other governmental agencies, including the U. S. Department of Energy, have evaluated or are evaluating various other aspects of hydraulic fracturing. These completed, ongoing or proposed studies, depending on their degree of pursuit and any meaningful results obtained, could spur initiatives to further regulate hydraulic fracturing~~ or other regulatory mechanisms. Certain state and U. S. federal regulatory agencies ~~have~~ **are also** focused on a possible connection between hydraulic fracturing- related activities and the increased occurrence of seismic activity. In a few instances, operators of injection disposal wells in the vicinity of seismic events have been ordered to reduce injection volumes or suspend operations. These developments could result in additional regulation and restrictions on the use of injection disposal wells and hydraulic fracturing ~~. Such regulations and restrictions could cause delays and impose additional costs and restrictions on us and our customers~~ . The adoption of new laws, regulations or ordinances at the U. S. federal, state or local levels imposing more stringent restrictions on hydraulic fracturing could make it more difficult for our customers to complete natural gas wells, increase customers’ costs of compliance and doing business, and otherwise adversely affect the hydraulic fracturing services they perform, which could negatively impact demand for our services. Furthermore, the tax laws, rules and regulations that affect our customers are subject to change. For example, Pennsylvania’ s **former** governor has **historically** ~~in recent legislative sessions~~ proposed legislation to impose a state severance tax on the extraction of natural resources, including natural gas produced from the Marcellus / Utica formations, either in replacement of or in addition to the existing state impact fee ~~. In late January 2021, Pennsylvania’ s governor announced he was re- proposing legislation to enact a severance tax to fund COVID- 19 relief measures~~ . Pennsylvania’ s legislature has not thus far advanced any of the governor’ s severance tax proposals; however, severance tax legislation may continue to be proposed in future legislative sessions. Any such tax increase or change could adversely impact the earnings, cash flows and financial position of our customers and cause them to reduce their drilling in the areas in which we operate. Risks related to climate change could ~~be material~~ **materially** ~~and adverse~~ **adversely** ~~to~~ **affect** our business, financial condition, results of operations, cash flow, access to and cost of capital or insurance, reputation, and business strategies. Our business is subject to physical risks and transition risks related to climate change. ~~These physical~~ **Physical** risks may arise from more frequent or severe weather events such as floods, landslides, storms, rising water levels, and changes in established weather patterns that cause damage to our assets or to portions of the country’ s **natural** gas infrastructure upon which we or our customers rely. Physical risks from climate change may reduce our ability to operate reliably, safely, and economically and may cause significant insured or uninsured losses that affect our cash flows. In addition to physical risks, our business is subject to transition risks arising from efforts to address climate change through ~~laws~~ **legislation** and policies and through market preferences that disfavor fossil fuels and related businesses. State and federal governments, as well as foreign governments and international governing bodies such as the United Nations, continue to develop laws, policies, and goals to reduce carbon emissions ~~and~~ **,** foster a lower- carbon economy **, and transition away from fossil fuels** . While these efforts are diverse and frequently change, they may impose additional compliance costs and may reduce market interest in our business. Changing customer behaviors may lead to less demand for our services, less favorable pricing for our services, inefficient utilization of our assets, and diminished reputation. Our ability to comply with laws and avoid or mitigate physical and transition risks related to climate change may be limited, insufficient, or dependent on technological developments (such as lower- emission equipment) that we do not control or that require substantial additional investments ~~that~~ **and** increase our cost of doing business. If we are unable to implement business strategies that address the physical risks of climate change and that meet the changing expectations of regulators or investors concerning climate change, we may experience a material adverse effect on our business. Our operations are subject to environmental laws and regulations that may expose us to significant costs and liabilities and changes in these laws and regulations could materially adversely affect our business, financial condition and results of operations. Our natural gas transmission, storage and gathering activities are subject to stringent and complex U. S. federal, state and local environmental laws and regulations relating to air quality, water quality, waste management, wildlife conservation, natural resources and worker health and safety. As with the industry generally, compliance with current and anticipated environmental laws and regulations increases our overall cost of **conducting** business, including our capital costs to construct, maintain and upgrade pipelines and other facilities, or **may** even cause us not to pursue a project. For instance, we may be required to obtain and maintain permits and other approvals issued by various U. S. federal, state and local governmental authorities; monitor for, limit or prevent releases of materials from our operations in accordance with these permits and approvals; install pollution control equipment or replace aging pipelines and other facilities; limit or **prohibit** ~~refrain from~~ construction activities in sensitive areas such as wetlands, wilderness or ~~urban~~ areas **that provide habitat** ~~or~~ **for** ~~areas inhabited by~~ endangered or threatened species; incur potentially substantial new obligations or liabilities for any pollution or contamination that may result from our operations; and apply health and safety criteria addressing worker protections. Failure to comply with environmental laws and regulations, or the permits issued under them, may result in the assessment of administrative, civil and criminal penalties, the imposition of investigatory, remedial or corrective action obligations or the incurrence of capital expenditures, the occurrence of delays in the permitting or performance or expansion of projects, the issuance of injunctions limiting or preventing some or all of our operations in a particular area, and private party claims for personal injuries or property damage. Moreover, environmental laws, regulations and enforcement policies tend to become more stringent over time. New, modified or stricter environmental laws, regulations or enforcement policies, including climate change laws and regulations restricting emissions of ~~greenhouse gas, which we refer to as" GHG~~ **GHGs** ~~,"~~ could be implemented that significantly increase our compliance costs, pollution mitigation costs, or the cost of any **necessary** remediation of environmental contamination ~~that may become necessary, and these costs could be material~~. For example, in April 2020 the U. S. federal district court for the district of Montana issued a broad order vacating **NWP 12, a general permit issued by** the U. S. Army Corps of Engineers **relied upon by industry for expedited permitting of oil and** ~~Clean Water Act Section 404 Nationwide Permit 12, which we refer to as~~ **gas pipelines** ~~" NWP 12~~, ~~"~~ for alleged failure to comply with consultation requirements under the **ESA. While the** U. S. **Supreme Court ultimately stayed** ~~federal Endangered Species Act. Pipeline companies and other~~ -- **the** ~~developers~~ **vacatur** of ~~linear infrastructure frequently rely upon~~ NWP 12 ~~for construction and maintenance projects in jurisdictional wetland areas. In May 2020~~, the ~~U. S. Army Corps of Engineers, which we refer to as" the U. S. Army Corps," appealed the U. S. federal district~~ **District** ~~court~~ **Court** ' s ~~order to~~ **action temporarily caused uncertainty and disruption in** the ~~U~~ **industry** . **A challenge to** ~~S. Court of Appeals for~~ the ~~Ninth Circuit. In July 2020~~ **2021 reissuance** ~~, the U. S. Supreme Court granted a stay~~ of ~~the district court' s order vacating~~ NWP 12 **(re-** ~~, pending the disposition of the appeal in the Ninth Circuit and any subsequent appeal to the Supreme Court. On January 5, 2021, the U. S. Army Corps announced that it reissued~~ -- **issued on a five- year schedule)** ~~NWP 12. On August 11, 2021, the Ninth Circuit granted partial vacatur of the appeal, concluding that the U. S. Army Corps' reissuance of NWP 12 rendered the underlying claim of the appeal moot. A challenge to the reissuance of NWP 12~~ is pending in the federal district court in Washington, D. C. after the case was transferred from federal court in Montana. ~~Environmental groups have filed a complaint in the Montana federal court challenging the U. S. Army Corps reissuance of NWP 12.~~ The ~~litigation is ongoing. Moreover, the~~ NWP 12 reissuance ~~is~~ **was** among the agency actions listed for review in accordance with **the** ~~President Biden' s~~ January 20, 2021 Executive Order (" Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis"); and, in 2022 the U. S. Army Corps **of Engineers** sought public comment on the potential to revise NWP 12 in response to objections to the use of NWP 12 related, primarily, to environmental justice, public participation, and climate change. Any disruption in our ability to obtain coverage under NWP 12 or other general permits may result in increased costs and project delays if we are forced to seek individual permits from the U. S. Army Corps **of Engineers** . Our compliance with changing legal requirements could result in our incurring significant additional expenses and operating restrictions with respect to our operations, which may not be fully recoverable from customers and, thus, could materially adversely affect our business, financial condition and results of operations. Our customers may similarly incur increased costs or restrictions that may limit or decrease those customers' operations and have an indirect material adverse effect on our business, financial condition and results of operations. For example, **an Executive Order was issued** on January 27, 2021 ~~President Biden issued an Executive Order~~ (" Tackling the Climate Crisis at Home and Abroad") that included provisions directing the Secretary of the Interior to pause approval of new oil and natural gas leases on public lands pending completion of a comprehensive review and reconsideration of U. S. federal oil and gas permitting and leasing practices and directing the heads of U. S. federal agencies to take steps to ensure that, to the extent consistent with applicable law, federal funding is not directly subsidizing fossil fuels. In July 2021, however, a Federal Court in Louisiana granted a nationwide preliminary injunction against enforcement of the moratorium. On appeal, the injunction was overturned. However, a short time later, the Federal Court in Louisiana issued a nationwide permanent injunction against enforcement of the moratorium. Litigation related to the moratorium continues in various courts. While lease sales continue to some extent, they have been scaled back and are subject to challenge by environmental groups. **On** ~~Also, on~~ November 26, 2021 the Department of the Interior issued a report calling for an increase in royalty payments for new oil and gas leases on federal lands and other measures. Royalty rates have been increased for new leases. In November 2022, the Department of the Interior issued a proposed rule that would strictly limit ~~release~~ **releases** of methane from oil and gas drilling on public lands. This could lead to increased costs for producers and increased need for pipeline capacity as operators would be required to have a plan to reduce venting and flaring as a predicate to approval of production of federal minerals. **On January 26, 2024, the federal government announced a temporary pause on the authorization of new LNG terminals. During this pause, the U. S. Department of Energy will update the underlying analyses for LNG export authorizations. The pause could delay approximately a dozen LNG projects that are pending or in various stages of planning.** Moreover, a number of state and regional legal initiatives, including climate change laws, have emerged in recent years that seek to reduce GHGs emissions and the EPA, based on its findings that emissions of **GHGs** ~~greenhouse gases~~ present a danger to public health and the environment, has adopted regulations under existing provisions of the U. S. federal Clean Air Act that, among other things, restrict emissions of GHGs and require the monitoring and reporting of GHG emissions from specified onshore and offshore production sources and onshore treating sources in the U. S. on an annual basis. In addition, some communities and cities have banned new natural gas hook- ups or are expected to enact similar electrification measures in response to climate change concerns. Other actions that could be pursued by the ~~Biden~~ **current** Administration may include the imposition of more restrictive requirements for the establishment of pipeline infrastructure **,** or the ~~permitting~~ **extension** of **the current pause on new** LNG ~~export facilities~~ **terminals or the current pause leading to a ban** . Such regulations or any new U. S. federal laws restricting emissions of GHGs, such as a carbon tax, from customer operations, or that limit the growth of pipelines and LNG exports from the U. S., could delay or curtail their activities and, in turn, adversely affect our business, financial condition and results of operations. There is inherent risk of the incurrence of environmental costs and liabilities in our business due to our handling of natural gas and hazardous substances, and historical industry operations and waste management and disposal practices. For example, an accidental release from one of our facilities could subject us to substantial liabilities arising from environmental cleanup and restoration costs, claims made by neighboring landowners and other third parties for personal injury and property damage, governmental claims for natural resource damages or imposing fines or penalties for related violations of environmental laws, permits or regulations. In addition, strict, joint and several liabilities may be imposed under certain environmental laws that govern the investigation and remediation of soil and groundwater contamination, which could cause us to become liable for the contamination caused by others, such as prior operators of our facilities, or for the consequences of our own actions that were in compliance with all applicable laws at the time those actions were taken, such as the historic disposal by us of hazardous substances or wastes at third party sites where contamination is subsequently discovered. Private parties, including the owners of the properties through which our assets pass and facilities where our wastes are taken for reclamation or disposal, may also have the right to pursue legal actions against us to enforce compliance, as well as to seek damages for non- compliance, with environmental laws and regulations or for personal injury or property damage that may result from environmental and other impacts of our operations. We may not be able to recover some or any of these costs through insurance or increased revenues, which could materially adversely affect our business, financial condition and results of operations. For more information, see the section entitled" Items 1. and 2. Business and Properties — Regulatory Environment — Environmental and Occupational Health and Safety Regulations". Our natural gas transportation and storage operations are subject to extensive regulation by ~~the~~ FERC and state regulatory authorities and changes in FERC or state regulation could materially adversely affect our business, financial condition and results of operations. Our business operations are subject to extensive regulation by ~~the~~ FERC, and state regulatory authorities. Generally, ~~the~~ FERC' s authority extends to rates and charges for interstate pipelines and storage facilities as well as intrastate pipelines and storage facilities providing service in interstate commerce; **terms and conditions of services and service contracts with customers;** certification and construction of new interstate pipelines and storage services and facilities and expansion of such facilities; abandonment of interstate pipelines and storage services and facilities; maintenance of accounts and records; relationships between pipelines and certain affiliates; ~~terms and conditions of services and service contracts with customers;~~ depreciation and amortization rates and policies; facility replacements and upgrades; and acquisitions and dispositions of interstate pipelines and storage facilities ~~or assets~~ . While ~~the~~ FERC may exercise jurisdiction over the rates and terms of service for certain of the services provided by our intrastate pipelines providing service in interstate commerce, such assets are not subject to ~~the~~ FERC' s certification and construction authority. Prior to commencing construction of new or expanded existing interstate pipelines and storage facilities, an interstate pipeline must obtain a certificate from ~~the~~ FERC authorizing the construction, either by filing a new certificate application or filing to amend its existing certificate. In reviewing certificate applications or amendments, ~~the~~ FERC applies its Certificate Policy Statement, which ~~the~~ FERC is considering revising, in part to address the consideration of climate change when acting on such applications. A revised Certificate Policy Statement could result in more stringent review of future projects within ~~the~~ FERC' s jurisdiction. FERC regulations also extend to the terms and conditions set forth in agreements for our transportation and storage services executed between interstate transportation and storage service providers and their customers. These service agreements are required to conform, in all material respects, with the forms of service agreements set forth in the interstate company' s FERC- approved tariff. Non- conforming agreements must be filed with, and accepted by, ~~the~~ FERC. In the event that ~~the~~ FERC finds that an agreement is materially non- conforming, in whole or in part, it could reject or require us to seek modification of the agreement, or alternatively require us to modify our tariff so that the non- conforming provisions are generally available to all customers or similarly- situated customers. ~~The~~ Vector ~~Pipeline~~ , ~~the~~ Millennium ~~Pipeline~~ , ~~the~~ Birdsboro ~~Pipeline~~ , ~~the~~ NEXUS ~~Gas Transmission Pipeline~~ , and the Washington 10 Storage Complex provide interstate services in accordance with their FERC- approved tariffs. Compliance with these requirements can be time- consuming, costly and burdensome and FERC action in any of these areas could adversely affect our ability to compete for business, construct new facilities, offer new services or recover the full cost of operating our pipelines. This regulatory oversight can result in longer lead times to develop and complete any future project than competitors that are not subject to ~~the~~ FERC' s regulations. Furthermore, should ~~the~~ FERC or state regulatory authorities find that we have failed to comply with all applicable FERC or state- administered statutes, rules, regulations and orders, or the terms of our tariffs on file with ~~the~~ FERC, we could be subject to administrative and criminal remedies and substantial civil penalties and fines. We cannot give any assurance regarding the likely future regulations under which we will operate our assets or the effect such regulation could have on our business, financial condition and results of operations. Any changes to the policies of ~~the~~ FERC or state regulatory authorities regarding the natural gas industry may have an impact on us, including ~~the~~ FERC' s approach as it considers policies affecting the establishment and modification of interstate pipeline rates and terms and conditions of service, policies that may affect rights of access to natural gas transmission capacity and policies that govern ~~the~~ FERC' s authorization of new or expanded pipeline and storage infrastructure. ~~The~~ FERC is currently considering modifications to its long- standing Certificate Policy Statement that currently governs its granting of certificate authority for the construction of proposed interstate natural gas infrastructure, whether new or expanded. In addition, future U. S. federal, state or local legislation or regulations under which we will operate our assets could materially adversely affect our business, financial condition and results of operations. We are exposed to costs associated with lost and unaccounted- for volumes. A certain amount of natural gas is inherently lost and unaccounted- for in connection with meter differences and movement across a pipeline or storage system, and under our contractual arrangements with our customers we are entitled to retain a specified volume of natural gas in order to compensate us for such volumes as well as the natural gas used to ~~run~~ **operate** our compressor stations, which we refer to as" fuel usage." The level of fuel usage and lost and unaccounted- for volumes on our transportation, storage and gathering systems may exceed the natural gas volumes retained from our customers as compensation for **such** ~~our fuel usage and lost and unaccounted- for~~ volumes ~~pursuant to our contractual agreements~~. In addition, our gathering systems have contracts that provide for specified levels of fuel retainage. As such, we **need** ~~may find it necessary~~ to purchase natural gas in the market to make up for any of these differences, which exposes us to ~~commodity~~ **natural gas** price risk. Future exposure to the volatility of natural gas prices as a result of gas imbalances on our transportation, storage and gathering systems could materially adversely affect our business, financial condition and results of operations. A change in the jurisdictional characterization of our gathering assets may result in increased regulation by FERC, which could cause our revenues to decline and operating expenses to increase and could materially adversely affect our business, financial condition and results of operations. We believe that our non- jurisdictional natural gas gathering facilities, including those which we refer to as" lateral pipelines," meet the traditional tests ~~the~~ FERC has used to establish a pipeline' s status as an exempt **gatherer** ~~gathering facility~~ not subject to ~~FERC~~ regulation as a **FERC-** jurisdictional natural gas company under the **NGA** ~~Natural Gas Act~~, although ~~the~~ FERC has not made a formal determination with respect to the jurisdictional status of those facilities. FERC regulation nonetheless affects our businesses and the markets for products derived from our gathering businesses. ~~The~~ FERC' s policies and practices across the range of its gas regulatory activities, including, for example, its policies on certification of new interstate natural gas facilities, open access transportation, rate making, terms and conditions of service, capacity release and market center promotion, indirectly affect intrastate markets. We have no assurance that ~~the~~ FERC will continue its current policies as it considers matters such as certification of new interstate natural gas facilities, pipeline rates and rules and policies that may affect rights of access to natural gas transportation capacity. In addition, the distinction between FERC- regulated transmission services and **federally unregulated** gathering services **is** ~~not regulated by FERC has~~ regularly ~~been~~ the subject of substantial litigation in the industry. Consequently, the classification and regulation of some of our gathering operations could change based on future determinations by ~~the~~ FERC, the courts or the U. S. Congress. If our gathering operations become subject to FERC jurisdiction, the result may adversely affect the rates we are able to charge and the services we currently provide and may include the potential for a termination of certain gathering agreements, which could materially adversely affect our business, financial condition and results of operations. State and local legislative and regulatory initiatives relating to gas operations could adversely affect our services and customers' production and therefore, materially adversely affect our business, financial condition and results of operations. State and municipal regulations also impact our business. Common purchaser statutes generally require gatherers to gather or provide services without undue discrimination as to source of supply or producer; as a result, these statutes restrict our right to decide whose production we gather or transport. U. S. federal law leaves any economic regulation of natural gas gathering to the states. Some of the states in which we currently operate have adopted complaint- based regulation of gathering activities, which allows gas producers and shippers to file complaints with state regulators in an effort to resolve access and rate grievances. Other state and municipal regulations may not directly regulate our gathering business but may nonetheless affect the availability of natural gas for purchase, treating and sale, including state regulation of production rates and maximum daily production allowable from gas wells. While our gathering lines currently are subject to limited state regulation, there is a risk that state laws will be changed, which may give producers a stronger basis to challenge the rates, terms and conditions of their gathering lines. Certain states in which we operate have adopted or are considering adopting measures that could impose new or more stringent requirements on gas exploration and production activities. For example, the potential for adverse impacts to our business is present where state or local governments have enacted ordinances directly regulating production rates and maximum daily production allowable from gas wells, and private individuals have sponsored and may in the future sponsor citizen initiatives to limit hydraulic fracturing, increase mandatory setbacks of oil and gas operations from occupied structures and achieve more restrictive state or local control over such activities. In the event state or local restrictions or prohibitions are adopted in our areas of operations, our customers may incur significant compliance costs or may experience delays or curtailment in the pursuit of their exploration, development or production activities, and possibly be limited or precluded in the drilling of certain wells altogether. Any adverse impact on our customers' activities would have a corresponding negative impact on our throughput volumes. In addition, while the general focus of debate is on upstream development activities, certain proposals may, if adopted, directly impact our ability to competitively locate, construct, maintain and operate our own assets. Accordingly, such restrictions or prohibitions could materially adversely affect our business, financial condition and results of operations. Changes in tax laws or regulations may have a material adverse effect on our business, cash flow, financial condition or results of operations. New income, sales, use or other tax laws, statutes, rules, regulations or ordinances could be enacted at any time, which could adversely affect our business operations and financial performance. Further, existing tax laws, statutes, rules, regulations or ordinances could be interpreted, changed, modified or applied adversely to us. For example, significant changes to the U. S. tax laws have been proposed, including, among others, an increase in the corporate tax rate and the imposition of a tax on the fair market value of stock that is repurchased by certain corporations. **It cannot be predicted whether or when tax laws, statutes, rules, regulations or ordinances may be enacted, issued, or amended.** Changes to existing tax laws or the enactment of future reform legislation could have a material impact on our financial condition, results of operations and ability to pay dividends to our shareholders. ~~It cannot be predicted whether or when tax laws, statutes, rules, regulations or ordinances may be enacted, issued, or amended that could materially and adversely impact our financial position, results of operations, or cash flows.~~ Some of our operations cross the U. S. / Canada border and are subject to cross- border regulation. Our cross- border activities subject us to regulatory matters, including import and export licenses, tariffs, Canadian and U. S. customs and tax issues, and toxic substance certifications. Such regulations include the" Short Supply Controls" of the Export Administration

Act, the United States- Mexico- Canada Agreement and the Toxic Substances Control Act. Violations of these licensing, tariff and tax- reporting requirements could result in the imposition of significant administrative, civil and criminal penalties, which could, in turn, materially adversely affect our business, financial condition and results of operations. Pipeline Safety and Maintenance Risks We may incur significant costs and liabilities to maintain our pipeline integrity management program and related testing, pipeline repair, and preventative or remedial measures, as well as other operational and maintenance requirements and assessments. The U. S. Department of Transportation, through ~~the Pipeline and Hazardous Materials Safety Administration, referred to as"~~ PHMSA, ~~"~~ has adopted regulations requiring pipeline operators to develop integrity management programs for transportation pipelines located where a leak or rupture could do the most harm in a high consequence area, referred to as an ~~"~~ HCA. ~~"~~ The regulations require operators to: (i) perform ongoing assessments of pipeline integrity; (ii) identify and characterize applicable threats to pipeline segments that could impact an HCA; (iii) improve data collection, integration and analysis; (iv) repair and remediate the pipeline as necessary; and (v) implement preventive and mitigating actions. PHMSA regulations also require assessment and repairs outside of HCAs in what are referred to as moderate consequence areas or ~~"~~ MCAs. ~~"~~ Additionally, while states are ~~largely~~ preempted by U. S. federal law from regulating pipeline safety for interstate lines, most are certified by PHMSA to assume responsibility for enforcing U. S. federal intrastate pipeline regulations and inspection of intrastate pipelines. In practice, states can adopt stricter standards for intrastate pipelines than those imposed by PHMSA for interstate ~~lines~~ **pipelines** , and states vary considerably in their authority and capacity to address pipeline safety. Accordingly, midstream operators of pipeline and associated storage facilities may be required to make operational changes or modifications at their facilities to meet standards beyond current federal requirements, where such changes or modifications may result in additional capital costs, possible operational delays and **potentially significant** increased costs of ~~operation~~ **operations** ~~that, in some instances, may be significant~~ . Failure to comply with PHMSA or state pipeline safety regulations could result in a number of consequences which may have an adverse effect on our operations. We incur significant costs **in complying** ~~associated with our compliance~~ with existing PHMSA and state pipeline safety regulations, but we do not believe such costs of compliance will materially adversely affect our business, financial condition and results of operations. We may incur significant costs associated with repair, remediation, preventive and mitigation measures associated with our integrity management programs ~~for pipelines that are not currently subject to regulation by PHMSA~~ and may be required to comply with new safety regulations and make additional maintenance capital expenditures in the future for similar regulatory compliance initiatives that are not reflected in our forecasted maintenance capital expenditures. Certain portions of our pipelines, storage and gathering infrastructure are aging, which could materially adversely affect our business, financial condition and results of operations. Certain portions of our systems, particularly our ~~gathering assets in~~ Northern Michigan **assets** and our storage assets, have been in operation for many years, with some portions being more than 40 years old. In some cases, certain portions may have been in service for many years prior to our purchase of the relevant systems or have been operated by third parties not under our control and consequently, there may be historical occurrences or latent issues regarding our pipeline systems that management may be unaware of and that could materially adversely affect our business, financial condition and results of operations. Certain portions of our pipeline systems are located in or near areas determined to be HCAs, which are areas where a ~~release~~ **leak or rupture** could have the most significant adverse consequences. The age and condition of these systems could result in increased maintenance or repair expenditures **,** and any downtime associated with increased maintenance and repair activities could materially reduce our revenue. If, due to their age, certain pipeline sections were to become unexpectedly unavailable for current or future volumes of natural gas because of repairs, maintenance, damage, spills or leaks, or any other reason, it could materially adversely affect our business, financial condition and results of operation. Our insurance policies do not cover all losses, costs or liabilities that we may experience, and there is no assurance that we will be able to purchase cost effective insurance in the future. We are not fully insured against all risks inherent in our business, including environmental accidents that might occur as well as **cyberattacks** ~~cyber events~~ . In addition, we do not maintain business interruption insurance of the types and in amounts necessary to cover all possible risks of loss, like project delays caused by governmental action or inaction. The occurrence of any operating ~~risks~~ - **risk events** not fully covered by insurance could materially adversely affect our business, financial condition and results of operations. As a result of market conditions, premiums and deductibles for certain of our insurance policies may substantially increase. In some instances, certain insurance could become unavailable or available only for reduced **coverage** amounts ~~of coverage. The occurrence of an event that is not fully covered by insurance could materially adversely affect our business, financial condition and results of operations~~ . If significant changes in the number or financial solvency of insurance underwriters for the energy industry occur, we may be unable to obtain and maintain adequate insurance at a reasonable cost. The unavailability of full insurance coverage or our inability to maintain or obtain insurance of the type and amount we desire at reasonable rates to cover events in which we suffer significant losses could materially adversely affect our business, financial condition and results of operations. ~~We are subject to cyber security and data privacy laws, regulations, litigation and directives relating to our processing of personal data. Several jurisdictions in which we operate throughout the U. S. have laws governing how we must respond to a cyber incident that results in the unauthorized access, disclosure or loss of personal data. Our business involves collection, uses and other processing of personal data of our employees, contractors, suppliers and service providers. As legislation continues to develop and cyber incidents continue to evolve, we will likely be required to expend significant resources to continue to modify or enhance our protective measures to comply with such legislation and to detect, investigate and remediate vulnerabilities to cyber incidents. Any failure by us, or a company we acquire, to comply with such laws and regulations could result in reputational harm, loss of goodwill, penalties, liabilities and mandated changes in our business practices. Additionally, if we acquire a company that has violated or is not in compliance with applicable data protection laws, we may incur significant liabilities and penalties as a result.~~ A terrorist attack ~~,~~ **or** armed conflict ~~or cyber security~~ event, or the threat of them, could harm our business. **The** ~~In 2012, the~~ U. S. Department of Homeland Security **has continued to** ~~issued~~ - **issue** public warnings that indicated that pipelines and other **energy** assets might be specific targets of terrorist organizations ~~or" cyber security" events~~ . Potential targets ~~might~~ include our pipelines, storage and gathering ~~systems or operating~~ systems and may affect our ability to operate or control our assets or utilize our customer service systems. ~~Also, destructive~~ **Destructive** forms of protests and opposition by extremists **,** and other disruptions, including acts of sabotage or eco- terrorism, against oil and natural gas development and production or midstream treating or transportation activities could potentially result in damage or injury to persons, property or the environment or lead to extended interruptions of our or our customers' operations. The **threat or** occurrence of any of these events ~~, including an attack or threat targeted at our pipelines and other assets~~ could cause a substantial decrease in revenues; increased costs or other financial losses; exposure or loss of customer information; damage to our reputation or business relationships; increased regulation or litigation; disruption of our operations; and inaccurate information reported from our operations. ~~These developments may subject our operations to increased risks, as well as increased costs, and, depending on their ultimate magnitude, could materially adversely affect our business, financial condition and results of operations.~~ Other Business Risks Customers', legislators' ~~and~~ **or** regulators' perceptions of us are affected by many factors, including environmental and safety concerns, pipeline reliability, protection of customer information, media coverage **,** and public sentiment. Customers', legislators' or regulators' negative opinion of us could materially adversely affect our business, financial condition and results of operations. **Many** ~~A number of~~ factors can affect customers', legislators' or regulators' ~~perception~~ **perceptions** of us, including **:** safety concerns due to potential natural disasters, the rupture of pipelines **,** or other causes ~~,~~ and our ability to promptly respond to such issues; ~~and~~ our ability to safeguard sensitive customer information **;** ~~. Customers', legislators' and regulators' opinions of us can also be affected by~~ media coverage, including the proliferation of social media, which may include **factual and nonfactual** information ~~, whether factual or not,~~ that could damage the **public sentiment and** perception of our company and the midstream industry. If customers, legislators or regulators have or develop a negative opinion of us and our services, or of fossil fuels as an energy source generally, this could **hinder our ability** ~~make it more difficult for us~~ to achieve favorable legislative or regulatory outcomes. Negative opinions could also result in sales volumes reductions ~~or~~ **,** increased use of ~~other sources~~ **alternative forms** of energy, **reduced** ~~or additional difficulties in accessing~~ --- **access to** capital markets **,** or greater challenges in developing or operating our assets. In addition, in recent years, increasing attention has been given to corporate activities related to ~~environmental, social and governance, which we call"~~ ESG ~~,"~~ matters in public discourse and the investment community. Investor advocacy groups, proxy advisory firms, certain institutional investors and lenders, investment funds and other influential investors and rating agencies are ~~also~~ increasingly focused on climate change, societal expectations on companies to address climate change, investor and societal expectations regarding voluntary ESG disclosures, and consumer demand for alternative forms of energy. Increasing attention to climate change and environmental conservation may result in increased costs, reduced access to insurance at reasonable rates, reduced demand for our ~~products~~ **services** , reduced profits, negative impacts on our stock price, reduced access to capital markets, and ~~additional~~ governmental investigations and private litigation against us or our customers. To the extent that societal pressures or political or other factors are involved, it is possible that a liability could be imposed without regard to our causation of or contribution to the asserted damage, or to other mitigating factors. While we may participate in various voluntary frameworks and certification programs to improve the ESG profile of our operations and products, we cannot guarantee that such participation or certification will have the intended results on our ~~or our products'~~ ESG profile. A number of advocacy groups have campaigned for governmental and private action to promote change at public companies related to ESG matters, including increasing attention and demands for action related to climate change, promoting the use of ~~substitutes~~ **alternative** ~~for~~ **forms** ~~fossil fuel products~~ **of energy,** and encouraging the divestment of companies in the fossil fuel industry **.** ~~, and some~~ **Some** organizations that provide ~~information to investors on~~ corporate governance and related ~~matters~~ **information to investors** have developed ratings systems for evaluating companies on their approach to ESG matters. Unfavorable ESG ratings may lead to increased negative investor and bank financing sentiment toward us and our industry and to the diversion of investment to other companies or industries, which could adversely affect **the demand for our services,** our stock price ~~and~~ **,** our access to and costs of capital ~~and could adversely impact the demand for our services~~ and, in turn, materially adversely affect our business, financial condition and results of operations. We published our ~~first~~ **second annual** Corporate Sustainability Report in the second quarter ~~2022~~ **2023** , which detailed how we seek to manage our operations responsibly and ethically, as well as strategies and goals associated with reducing our environmental impact. The Corporate Sustainability Report included our policies and practices on a variety of social and ethical matters, including, but not limited to, corporate governance, environmental compliance, employee health and safety practices, human capital management and workforce inclusion and diversity. We believe providing more expansive disclosure on these topics in our Corporate Sustainability Report increases our ~~level of~~ transparency to our stakeholders and complements the disclosures regarding our contributions to sustainable development in this Form 10- K. It is possible that stakeholders may not be satisfied with our ESG practices or the speed of their adoption. We could also incur additional costs and require additional resources to monitor, report and comply with various ESG practices. Also, our failure, or perceived failure, to meet the standards set forth in the Corporate Sustainability Report could negatively impact our reputation, employee retention, and the willingness of our customers and suppliers to do business with us. Any of these consequences could materially adversely affect our business, financial condition and results of operations. **We are subject to cybersecurity and data privacy laws, regulations, litigation and directives relating to our processing of personal data. Our business involves collection, uses and other processing of personal data of our employees, contractors, suppliers and service providers. Governmental standards and commonly accepted frameworks for the protection of computer- based systems and technology from cyber threats and attacks have been adopted. New data privacy and cybersecurity laws add additional complexity, requirements, restrictions and potential legal risk, and compliance programs may require additional investment in resources, and could impact strategies and availability of previously useful data. Any failure by us or one of our technology service providers to comply with such laws and regulations could result in reputational harm, penalties,**

regulatory scrutiny, liabilities, legal claims, and / or mandated changes in our business practices. A cyberattack or threat could harm our business. We have become increasingly dependent on digital information technologies, including computer- based systems, infrastructure, and cloud applications, to conduct almost all aspects of our business. These include operating our pipeline, storage and gathering assets, recording commercial transactions, communicating with employees supporting our operations and our customers or other business partners, and reporting financial information. We also collect and store sensitive data in the ordinary course of our business, including personally identifiable information of our employees, as well as our proprietary business information and that of our vendors, customers and other business partners. We depend on both our own systems, networks and technology, as well as the systems, networks and technology of our vendors, customers, and other business partners, including our joint venture partners. The secure processing, maintenance and transmission of this information is critical to our operations. Our increasing reliance on digital technologies puts us at risk for system failures, disruptions, incidents, data breaches and cyberattacks, which could significantly impair our ability to conduct our business. Cyberattacks are becoming more sophisticated and include, but are not limited to, ransomware, credential stuffing, spear phishing, social engineering and other attempts to gain unauthorized access to data for purposes of extortion or malfeasance. The methodologies used by attackers change frequently and may not be recognized until such attack is underway. In April 2022, the cybersecurity authorities of the United States, Australia, Canada, New Zealand, and the United Kingdom issued a joint cybersecurity advisory warning of the increased risks of Russian state- sponsored cyberattacks following the international response to Russia' s invasion of Ukraine. We expect to continue to be targeted by cyberattacks as a critical infrastructure company. We may not be able to anticipate, detect or prevent all cyberattacks, and the threat or occurrence of a cyberattack affecting our information technology systems or the information technology systems of our counterparties, depending on the extent or duration of the event, could materially adversely affect us, including by leading to corruption, misappropriation or loss of our proprietary and sensitive data, delays (which could be significant) in the performance of services for our customers, difficulty in completing and settling transactions, challenges in maintaining our books and records, communication interruptions, environmental damage, regulatory scrutiny, personal injury or death, property damage and other operational disruptions, as well as damage to our reputation, financial condition and cash flows and potential legal claims and liabilities. A pandemic, epidemic or outbreak of an infectious disease, such as the COVID- 19 pandemic, could materially adversely affect our business, financial condition and results of operations ~~and we face numerous risks related to the COVID- 19 pandemic~~ . A global or national public health crisis ~~, such as COVID- 19,~~ may cause disruptions to our business and operational plans. Some factors from **a health crisis** ~~the COVID- 19 pandemic~~ that could materially adversely affect our business, financial condition and results of operations include: third- party effects, including contractual and counterparty risk; litigation risk and possible loss contingencies **;** ~~related to COVID- 19,~~ employee matters and insurance arrangements; supply / demand market and macroeconomic forces; lower commodity prices; unavailable storage capacity and operational effects; decreased utilization and rates for our assets and services; impact on liquidity and access to capital markets; our ability to comply with our covenants and other restrictions in agreements governing our debt; workforce reductions and furloughs; ~~cyber security~~ **cybersecurity** threats; operational, health or safety- related incidents; global supply chain disruptions; and U. S. federal, state and local actions. ~~As of December 31, 2022, there have not been meaningful impacts or disruptions to our business, financial condition and results of operations as a result of the COVID- 19 pandemic. We continue to assess the impact of the COVID- 19 pandemic on an ongoing basis.~~ Risks ~~Relating~~ **Related** to the Separation We could have an indemnification obligation to DTE Energy in accordance with the terms of the Tax Matters Agreement if the Distribution were determined not to qualify for non- recognition treatment for U. S. federal tax purposes **.** ~~, which could materially adversely affect our business, financial condition and results of operations~~ If it were determined that the Distribution did not qualify as a distribution to which Section 355 (a), Section 355 (c) and Section 361 of the **Internal Revenue** Code apply, we could, under certain circumstances, be required to indemnify DTE Energy for the resulting taxes and related expenses ~~. Any such indemnification obligation could materially adversely affect our business, financial condition and results of operations~~ . In addition, Section 355 (e) of the **Internal Revenue** Code generally creates a presumption that the Distribution would be taxable to DTE Energy, but not to shareholders, if we or our shareholders were to engage in transactions that result in a 50 % or greater change by vote or value in the ownership of our **common** stock during the four- year period beginning on the date that begins two years before the date of the Distribution, unless it were established that such transactions and the Distribution were not part of a plan or series of related transactions giving effect to such a change in ownership. If the Distribution were taxable to DTE Energy due to such a 50 % or greater change in ownership of our stock, DTE Energy would recognize **a** gain equal to the excess of the fair market value of our common stock distributed to DTE Energy shareholders over DTE Energy' s tax basis in our common stock **,** and we generally would be required to indemnify DTE Energy for the tax on such gain and related expenses. Any such indemnification obligation could materially adversely affect our business, financial condition and results of operations. We agreed to numerous restrictions to preserve the non- recognition treatment of the Distribution, which may reduce our strategic and operating flexibility. We agreed in the Tax Matters Agreement to covenants and indemnification obligations that address compliance with Section 355 (e) of the **Internal Revenue** Code. These covenants and indemnification obligations may limit our ability to pursue strategic transactions or engage in new businesses ~~or other transactions~~ that may otherwise maximize the value of our ~~business~~ **Company** and might discourage or delay a strategic transaction that our shareholders may consider favorable ~~. For more information, see Note 1," Description of the Business and Basis of Presentation" to the Consolidated Financial Statements under Part II, Item 8 of this Form 10- K~~ . The Separation may expose us to potential liabilities arising out of state and U. S. federal fraudulent conveyance laws and legal dividend requirements. If DTE Energy files for bankruptcy or is otherwise determined or deemed to be insolvent under U. S. federal bankruptcy laws, a court could deem the Separation or certain internal restructuring transactions undertaken by DTE Energy in connection with the Separation to be a fraudulent conveyance or transfer. Fraudulent conveyances or transfers are defined to include transfers made or obligations incurred with the actual intent to hinder, delay or defraud current or future creditors **,** or transfers made or obligations incurred for less than **a** reasonably equivalent value when the debtor was insolvent, or that rendered the debtor insolvent, inadequately capitalized or unable to pay its debts as they become due. A court could void the transactions or impose substantial liabilities upon us, which could materially adversely affect our business, financial condition and results of operations. Among other things, a court could require our shareholders to return to DTE Energy some or all of the shares of our common stock issued in the Separation or require us to fund liabilities of other companies involved in the restructuring transactions for the benefit of creditors. The distribution of our common stock is also subject to review under state corporate distribution statutes. Although DTE Energy intended to make a lawful distribution of our common stock, we cannot assure you that a court will not later determine that some or all of the Distribution to DTE Energy shareholders was unlawful. After the Separation, certain members of management and directors may face actual or potential conflicts of interest. Following the Separation, the management and directors of each of DTE Energy and DT Midstream own common stock in both companies ~~and~~ **.** Robert Skaggs, Jr., who is ~~a member~~ **the chairman** of ~~our~~ **the** Board **of Directors for DT Midstream** , also serves on the board of directors of DTE Energy ~~, which we refer to as the" DTE Energy Board,"~~ and may be required to recuse himself from deliberations relating to arrangements between us and DTE Energy. This ownership and directorship overlap could create, or appear to create, potential conflicts of interest when the management and directors of one company face decisions that could have different implications for themselves and the other company. For example, potential conflicts of interest could arise in connection with the resolution of any dispute regarding the terms of the agreements governing our relationship with DTE Energy. These agreements include the Separation and Distribution Agreement, the Transition Services Agreement, the Tax Matters Agreement, the Employee Matters Agreement and any commercial agreements between the parties or their affiliates. Potential conflicts of interest may also arise out of any commercial arrangements that we or DTE Energy may enter into in the future. ~~38~~ **For more information on the Separation and Distribution, see Note 1," Description of the Business and Basis of Presentation" to the Consolidated Financial Statements under Part II, Item 8 of this Form 10- K. 37**