



U.S. Department
Of Transportation
**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.989.2171

**NOTICE OF PROBABLE VIOLATION
PROPOSED CIVIL PENALTY
and
PROPOSED COMPLIANCE ORDER**

EXPRESS OVERNIGHT MAIL

August 20, 2012

Mr. Randy Barnard
Vice President, Operations
Transcontinental Gas Pipe Line Company, LLC
2800 Post Oak Blvd.
Houston, TX 77056

CPF 1-2012-1019

Dear Mr. Barnard:

During the week of March 26, 2012, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected Transcontinental Gas Pipe Line Company, LLC (formerly Williams Gas Pipeline-Transco) compressor station and related pipeline facilities in Ellicott City, Maryland.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

1. 192.603 General Provisions.

(b) Each operator shall keep records necessary to administer the procedures established under §192.605.

Transcontinental Gas Pipe Line Company, LLC (Transcontinental) failed to keep records to verify adequate depth of cover over a buried transmission lines as per 192.327 Cover.

Conversations with the Transcontinental staff and a review of related records and procedures, for the Granite Road Project of 2010, indicated that that they have no records to confirm depth of cover.

2. §192.475 Internal Corrosion Control: General.

(b) Whenever any pipe is removed from a pipeline for any reason, the internal surface must be inspected for evidence of corrosion. If internal corrosion is found-

- (1) The adjacent pipe must be investigated to determine the extent of internal corrosion:**
- (2) Replacement must be made to the extent required by the applicable paragraphs of §192.485, 192.487, or 192,489; and,**
- (3) Steps must be taken to minimize the internal corrosion.**

Transcontinental failed to inspect the internal surface of a section of a cut out pipe for evidence of internal corrosion as per §192.475(b).

During the review of pipeline inspection records, the PHMSA inspector reviewed Report # 2010-TR-12515. This pipeline inspection was dated 11/10/2010. The report stated that the pipe was cut out and that there was no internal inspection performed.

3. §192.225 Welding Procedures.

- (a) Welding must be performed by a qualified welder in accordance with welding procedures qualified under section 5 of API 1104 (incorporated by reference, see §192.7) or section IX of the ASME Boiler and Pressure Vessel Code " Welding and Brazing Qualifications" (incorporated by reference, see §192.7) to produce welds meeting the requirements of this subpart. The quality of the test welds used to qualify welding procedures shall be determined by destructive testing in accordance with the applicable welding standard(s).**

Transcontinental Gas Pipe Line Company, LLC’s procedures (“Onshore Pipeline Construction Manual”, Section 9.1.1) were inadequate in that they failed to reference the correct edition of ASME Section IX that is incorporated by reference under §192.7.

Proposed Civil Penalty

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any related series of violations. The Compliance Officer has reviewed the circumstances and supporting documentation involved in the above probable violation(s) and has recommended that you be preliminarily assessed a civil penalty of \$ 42,500 as follows:

<u>Item number</u>	<u>PENALTY</u>
1	\$ 5,000
2	\$ 37,500

Warning Items

With respect to item 3, we have reviewed the circumstances and supporting documents involved in this case and have decided not to conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to promptly correct these item(s). Be advised that failure to do so may result in Transcontinental being subject to additional enforcement action.

Proposed Compliance Order

With respect to item 1, pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to Transcontinental. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Response to this Notice

Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

Please submit all correspondence in this matter to Byron Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628. Please refer to **CPF 1-2012-1019** on each document you submit, and please whenever possible provide a signed PDF copy in electronic format. Smaller files may be emailed to Byron.Coy@dot.gov. Larger files should be sent on a CD accompanied by the original paper copy to the Eastern Region Office.

Sincerely,

Byron Coy, PE
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Compliance Proceedings

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to Transcontinental Gas Pipe Line Company, LLC (Transcontinental) a Compliance Order incorporating the following remedial requirements to ensure the compliance of Transcontinental with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice pertaining to its failure to establish necessary records, Transcontinental shall:
 - a. Revise the Onshore Pipeline Construction Manual to provide guidance for verifying and documenting depth of cover over buried transmission pipelines. This item shall be completed within 90 days of receipt of the Final Order.
 - b. Conduct a depth of cover survey of the pipeline installed during the Granite Road Project of 2010. The survey shall include evenly spaced sample points over each pipeline (Line A, Line B, and Line C), taken every ten feet (10'), to provide verification of adequate depth of cover, subject to §192.327 and Transcontinental procedures. This item shall be completed within 120 days of receipt of the Final Order.
2. It is requested (not mandated) that Transcontinental maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Byron Coy, Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.