U.S. Department
of Transportation

**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.771.7800

WARNING LETTER

OVERNIGHT EXPRESS DELIVERY

May 8, 2017

Mr. Mark Cluff
VP Safety & Operational Discipline
Transcontinental Gas Pipe Line Company
One Williams Center
Tulsa, OK 74172

CPF 1-2017-1012W

Dear Mr. Cluff:

From August 1 – 5, 2016, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code, inspected Transcontinental Gas Pipe Line Company's (Transco) VA-North District, PHMSA Unit #891 in Manassas, VA.

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

1. **§ 192. 605 Procedural Manual for operations, maintenance, and emergencies**

   (a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least one each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

Transco failed to follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. Specifically, Transco failed to

follow its written procedure *20.06.03, Cathodic Protection Criteria*, Rev.13, dated 3/27/2013 (Procedure), pursuant to 192.463(a).

§192.463 (a) states "Each cathodic protection system required by this subpart must provide a level of cathodic protection that complies with one or more of the applicable criteria contained in Appendix D of this part. If none of these criteria is applicable, the cathodic protection system must provide a level of cathodic protection at least equal to that provided by compliance with one or more of these criteria."

Transco's Procedure establishes the CP protection criteria utilized to confirm adequate external corrosion control on their facilities. The 3 criteria listed in this procedure are:

1. -0.850 Volt Pipe-to-Soil (with IR drop considered),
2. 100 mV Voltage Shift (Polarization Decay), and
3. 300 mV Shift.

Section 1.0. Using the -0.850 Volt Pipe-to-Soil Criteria, paragraph 1.3 states "Consider any voltage (IR) drops according to WilSOP O&M 20.06.02 – Methods for IR Drop Correction."

During the inspection, the PHMSA inspector reviewed annual CP survey records for 2014, 2015 and 2016 for test points within Transco's Virginia - North district.

The 2014 records at relative station engineering numbers 76599+25, 76599+26 and 76599+27 (test points 30, 31 and 32), located at the V-266 flow control valve within the Tenaska-Antioch M&R station, indicated the following:

1. Inspection remarks: "Mags not interrupted."
2. Structure P/S [Pipe to Soil] and Structure IRF [IR Free]:
    a. Values recorded under the "Structure IRF" column were more negative than the values in the "Structure P/S" column at test points 30 and 31, indicating that current sources may have been interrupted and that IR drop had not been considered.
    b. Transco Asset Integrity personnel indicated that there are uninterruptable anodes at this location that are not detached during annual CP surveys.

Structure P/S	Structure IRF	Native P/S	OCP	Casing P/S	Inspection Remarks	Inspection Date
-1.118	-1.193				Mags not interrupted	3/20/2014
-1.156	-1.181					2/25/2015
-1.023	-1.089					4/14/2016
-1.094	-1.170				Mags not interrupted	3/20/2014
-1.089	-1.117					2/25/2015
-0.971	-1.047					4/14/2016
-4.002	-2.157				Mags not interrupted	3/20/2014

3. The "Native P/S" column of the report was blank. The lack of native pipe-to-soil readings in the "Native P/S" column prevents application of criterion other than the -0.850 Volt Pipe-to-Soil criteria, such as the 100 mV Voltage Shift or 300 mV Criteria found in Transco's 20.06.03 procedure for CP criteria.

Thus, Transco did not demonstrate that IR-drop was considered at these tests points, or that another valid cathodic protection criterion was utilized at this location in accordance with their written procedures.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed $205,638 per violation per day the violation persists up to a maximum of $2,056,380 for a related series of violations. For violation occurring between January 4, 2012 to August 1, 2016, the maximum penalty may not exceed $200,000 per violation per day, with a maximum penalty not to exceed $2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed $100,000 per violation per day, with a maximum penalty not to exceed $1,000,000 for a related series of violations. 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 correct the item identified in this letter. Failure to do so will result in Transco being subject to additional enforcement action.

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).

No reply to this letter is required. If you choose to reply, please submit all correspondence in this matter to Robert Burrough, Acting Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, West Trenton, NJ 08628. Please refer to **CPF 1- 2017-1012W** on each document you submit, and whenever possible provide a signed PDF copy in electronic format. Smaller files may be emailed to robert.burrough@dot.gov. Larger files should be sent on a CD accompanied by the original paper copy to the Eastern Region Office.

Additionally, if you choose to respond to this (or any other case), please ensure that any response letter pertains solely to one CPF case number.

Sincerely,

Robert Burrough
Acting Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration