

July 24, 2018

Mr. Alan S. Armstrong  
President and Chief Executive Officer  
Williams Companies, Inc.  
One Williams Center  
Tulsa, OK 74172

**Re: CPF No. 1-2017-5032**

Dear Mr. Armstrong:

Enclosed please find the Final Order issued in the above-referenced case to your subsidiary, Williams Field Services Company, LLC. It makes a finding of violation and assesses a civil penalty of \$22,400. This is to acknowledge receipt of payment of the full penalty amount, by wire transfer dated December 8, 2017. This enforcement action is now closed. Service of the Final Order by certified mail is effective upon the date of mailing as provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Alan K. Mayberry  
Associate Administrator  
for Pipeline Safety

Enclosure

cc: Mr. Robert Burrough, Director, Eastern Region, Office of Pipeline Safety, PHMSA  
Mr. Mark Cluff, VP Safety & Operational Discipline, Williams Field Services Company, LLC, Mark.Cluff@williams.com  
Mr. Clint Ratke, Manager – Pipeline Safety, Williams Field Services Company, LLC, Clint.Ratke@williams.com

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION  
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION  
OFFICE OF PIPELINE SAFETY  
WASHINGTON, D.C. 20590**

In the Matter of	)	
Williams Field Services Company, LLC,	)	
a subsidiary of Williams Companies, Inc.,	)	CPF No. 1-2017-5032
Respondent.	)	

**FINAL ORDER**

From March 6 through 10, 2017, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of Williams Field Services Company, LLC, a subsidiary of Williams Companies, Inc. (Williams or Respondent), in Moundsville, West Virginia. Williams owns and operates interstate liquid pipelines throughout the states of Pennsylvania, West Virginia, Colorado, Kansas, and Wyoming. The facility inspected is a 50-mile pipeline initiating at the Oak Grove processing plant in Marshall County, West Virginia, and running to the MarkWest Houston processing plant in Washington County, Pennsylvania.

As a result of the inspection, the Director, Eastern Region, OPS (Director), issued to Respondent, by letter dated November 9, 2017, a Notice of Probable Violation and Proposed Civil Penalty (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Williams had violated 49 C.F.R. § 195.402, and proposed assessing a civil penalty of \$22,400 for the alleged violation.

Williams responded to the Notice by letter dated December 8, 2017 (Response). The company did not contest the allegation of violation and paid the proposed civil penalty of \$22,400 by wire transfer dated December 8, 2017. In accordance with 49 C.F.R. § 190.208(a)(1), such payment authorizes the Associate Administrator to make a finding of violation and to issue this final order without further proceedings.

**FINDING OF VIOLATION**

In its Response Williams did not contest the allegation in the Notice that it violated 49 C.F.R. Part 195, as follows:

**Item 1:** The Notice alleged that Respondent violated 49 C.F.R. § 195.402(a), which states:

**§ 195.402 Procedural manual for operations, maintenance, and emergencies**

(a) *General.* Each operator shall prepare and follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. This manual shall be reviewed at intervals not exceeding 15 months, but at least once each calendar year, and appropriate changes made as necessary to insure that the manual is effective. This manual shall be prepared before initial operations of a pipeline system commence, and appropriate parts shall be kept at locations where operations and maintenance activities are conducted.

The Notice alleged that Williams violated 49 C.F.R. § 195.402(a) by failing to follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies. Specifically, the Notice alleged that Williams failed to follow its abnormal operating conditions (AOCs) procedure for completion of AOC reports.

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 195.402(a) by failing to follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies, specifically its manual for AOCs.

This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

**ASSESSMENT OF PENALTY**

Under 49 U.S.C. § 60122, Respondent is subject to an administrative civil penalty not to exceed \$200,000 per violation for each day of the violation, up to a maximum of \$2,000,000 for any related series of violations.<sup>1</sup>

In determining the amount of a civil penalty under 49 U.S.C. § 60122 and 49 C.F.R. § 190.225, I must consider the following criteria: the nature, circumstances, and gravity of the violation, including adverse impact on the environment; the degree of Respondent's culpability; the history of Respondent's prior offenses; and any effect that the penalty may have on its ability to continue doing business; and the good faith of Respondent in attempting to comply with the pipeline safety regulations. In addition, I may consider the economic benefit gained from the violation without any reduction because of subsequent damages, and such other matters as justice may

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<sup>1</sup> These amounts are adjusted annually for inflation. *See, e.g.*, Pipeline Safety: Inflation Adjustment of Maximum Civil Penalties, 82 Fed. Reg. 19325 (April 27, 2017).

require. The Notice proposed a total civil penalty of \$22,400 for the violation cited above.

**Item 1:** The Notice proposed a civil penalty of \$22,400 for Respondent's violation of 49 C.F.R. § 195.402(a), for failing to follow for each pipeline system a manual of written procedures for conducting normal operations and maintenance activities and handling abnormal operations and emergencies, specifically, its manual for AOCs. Williams neither contested the allegation nor presented any evidence or argument justifying a reduction in, or elimination of, the proposed penalty. The violation was an activities violation discovered by PHMSA. Although pipeline safety was minimally affected, Williams failed to take appropriate action to comply with a requirement that was clearly applicable, and provided no explanation or justification for the violation.

Accordingly, having reviewed the record and considered the assessment criteria for Item 1, I assess Respondent a total civil penalty of **\$22,400**, which has already been paid by Respondent by wire transfer dated December 8, 2017.

The terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.

July 24, 2018

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Alan K. Mayberry  
Associate Administrator  
for Pipeline Safety

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Date Issued