

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

OVERNIGHT EXPRESS DELIVERY

March 28, 2018

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

CPF 1-2018-3002

Dear Mr. Cluff:

From August 15 to 17, 2017, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected Transcontinental Gas Pipe Line Company's (Williams) Station 240, Carlstadt LNG facility in Carlstadt, NJ.

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

1. § 193.2719 Training: records.

(a) Each Operator shall maintain a system of records which-

(2) Provide evidence that personnel have undergone and satisfactorily completed the required training programs.

Williams failed to maintain records which evidenced that personnel had undergone and satisfactorily completed the required training programs. Specifically, Williams failed to present evidence that it had provided continuing instruction to its LNG plant operations and maintenance

personnel at intervals of not more than 2 years to keep all personnel current on the knowledge and skills they gained in the program of initial instruction, as required per § 193.2713(b).

During the inspection, the PHMSA inspector reviewed Williams’ Operations and Maintenance Procedure, Section C-2: Personnel Qualifications and Training, dated May 2014 (Procedure). The Procedure stated in part:

C-2.C.3. Continuing Instruction

All permanent employees shall have periodic instruction reviewing the skills and knowledge necessary to perform their assigned duties safely. This re-qualification shall be performed at an interval not to exceed two years. The CBT vaporizer and liquefaction test will be required for operators.

The PHMSA inspector reviewed records related to Williams’ initial training program instruction. In this initial instruction, Williams enrolls its staff in the Massachusetts Fire Fighting Academy to learn about the characteristics and hazards of LNG and other flammable fluids at the facility. In its initial training records, the Williams provides detailed training on the facility operations and training on LNG transfer procedures.

The PHMSA inspector requested training records for 2014-2017 that demonstrated continuing instruction was conducted. Williams did not provide sufficient records necessary to demonstrate that it provided continuing instruction to personnel regarding the knowledge and skills gained in its programs of initial instruction.

Therefore, Williams failed to maintain records which evidenced that personnel have undergone and satisfactorily completed the required training programs.

Proposed Civil Penalty

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$209,002 per violation per day the violation persists, up to a maximum of \$2,090,022 for a related series of violations. For violations occurring prior to November 2, 2015, 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. Also, for LNG facilities, an additional penalty of not more than \$76,352 for each violation may be imposed. 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 \$48,000 as follows:

<u>Item number</u>	<u>PENALTY</u>
1	\$48,000

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. All material submit in response to this enforcement action may be 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).

Following the receipt of this Notice, you have 30 days to submit written comments, or request a hearing under 49 CFR § 190.211. 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. If you are responding to this Notice, we propose that you submit your correspondence to my office within 30 days from the receipt of this Notice. This period may be extended by written request for good cause.

Please submit all correspondence in this matter to Robert Burrough, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, West Trenton, New Jersey 08628. Please refer to **CPF 1-2018-3002** 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
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*