

December 1, 2021

VIA ELECTRONIC MAIL TO: mark.cluff@williams.com

Mr. Mark Cluff
Vice President, Safety & Operational Discipline
Transcontinental Gas Pipe Line Company, LLC
One Williams Center
P.O. Box 645
Tulsa, Oklahoma 74172

Re: CPF No. 1-2021-013-NOPV

Dear Mr. Cluff:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation and assesses a civil penalty of \$41,000. The penalty payment terms are set forth in the Final Order. This enforcement action closes automatically upon receipt of payment. Service of the Final Order by e-mail is effective upon the date of transmission 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

Enclosures

cc: Mr. Robert Burrough, Director, Eastern Region, Office of Pipeline Safety, PHMSA
Mr. Alan Armstrong, President and Chief Executive Officer, Williams Partners, LP,
alan.armstrong@williams.com
Mr. Tyson Green, Manager Pipeline Safety, Williams Partners, LP,
tyson.green@williams.com

CONFIRMATION OF 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)	
)	
Transcontinental Gas Pipe Line Company, LLC,)	CPF No. 1-2021-013-NOPV
a subsidiary of Williams Partners, LP,)	
)	
Respondent.)	
)	

FINAL ORDER

From October 19, 2020 through November 4, 2020, 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 inspection of the procedures and records of Transcontinental Gas Pipe Line Company, LLC’s (Transco or Respondent) Station 240 LNG plant in Carlstadt, New Jersey. Transco, a subsidiary of Williams Partners, LP (Williams), operates a 10,000-mile interstate transmission pipeline system from south Texas to New York City.¹

As a result of the inspection, the Director, Eastern Region, OPS (Director), issued to Respondent, by letter dated June 17, 2021, a Notice of Probable Violation and Proposed Civil Penalty (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Transco had violated 49 C.F.R. § 193. 2605 and proposed assessing a civil penalty of \$93,900 for the alleged violation. The Notice also included an additional warning item pursuant to 49 C.F.R. § 190.205, which required no further action, but warned the operator to correct the probable violation or face possible future enforcement action.

On June 25, 2021, Williams, on behalf of Transco, requested the Pipeline Safety Violation Report and the Proposed Civil Penalty Worksheet, which PHMSA provided on July 1, 2021. On July 16, 2021, Williams requested an extension of time to respond to the Notice, which PHMSA granted on July 22, 2021. On August 19, 2021, Williams and OPS Eastern Region (collectively, the Parties) met telephonically to discuss a possible resolution of the case. During the informal conference and subsequent follow-up discussions, the Parties offered additional information regarding the allegation of violation, and an agreement was reached that resolved all of the issues in the Notice.

¹ Williams website, Operations, *available at* <https://www.williams.com/pipeline/transco/> (last accessed November 10, 2021).

On September 14, 2021, Williams requested a 30-day time extension to respond to the Notice and responded to the Notice by letter dated September 30, 2021 (Response). The company did not contest the allegation of violation but provided additional information and requested that the proposed civil penalty be reduced. Respondent did not request a hearing and therefore has waived its right to one.

FINDINGS OF VIOLATION

In its Response, Transco did not contest the allegation in the Notice that it violated 49 C.F.R. Part 193, as follows:

Item 2: The Notice alleged that Respondent violated 49 C.F.R. § 193.2605, which states:

§ 193.2605 Maintenance procedures.

- (a) ...
- (b) Each operator shall follow one or more manuals of written procedures for the maintenance of each component, including any required corrosion control...

The Notice alleged that Respondent violated 49 C.F.R. § 193.2605 by failing to follow its manual of written procedures for the inspection of support systems. Specifically, the Notice alleged that Transco failed to follow its *53.00.08 - Inspect Structural Support Systems* (Procedure) for conducting the 5-Year visual inspection of structural supports and foundations at the LNG Plant.

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. § 193.2605 by failing to follow its manual of written procedures for the inspection of support systems.

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.²

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; any effect that the penalty may have on its ability to continue

² These amounts are adjusted annually for inflation. See 49 C.F.R. § 190.223.

doing business; the good faith of Respondent in attempting to comply with the pipeline safety regulations; and self-disclosure or actions to correct a violation prior to discovery by PHMSA. 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 require. The Notice proposed a total civil penalty of \$93,900 for the violation cited above.

Item 2: The Notice proposed a civil penalty of \$93,900 for Respondent's violation of 49 C.F.R. § 193.2605, for failing to follow its manual of written procedures for the inspection of support systems. Williams provided a written explanation for an adjusted civil penalty amount in its Response. Specifically, the company noted that during the informal settlement meeting, OPS agreed that the civil penalty assessment factor for the gravity of the violation should be adjusted from "the violation is against 49 C.F.R. Part 193" to "pipeline safety was minimally affected." Although Item 2 was a Part 193 violation, pipeline safety was minimally affected.³ In 2018, the company completed a visual inspection of the structural supports and foundations of its LNG Plant. The subsequent report titled "*Year 2018 Station 240 Concrete Support Inspection Report, dated 12/18/18*" (Report) indicated that the concrete supports were found to need minor repairs but were otherwise structurally sound and presented no immediate safety or operational issues. However, the Report mistakenly omitted the prioritization of the conditions, as required by the Procedure. This omission minimally impacted pipeline safety. Based upon the foregoing, I assess Respondent a reduced civil penalty of \$41,000 for violation of 49 C.F.R. § 193.2605.

Payment of the civil penalty must be made within 20 days of service. Federal regulations (49 C.F.R. § 89.21(b)(3)) require such payment to be made by wire transfer through the Federal Reserve Communications System (Fedwire), to the account of the U.S. Treasury. Detailed instructions are contained in the enclosure. Questions concerning wire transfers should be directed to: Financial Operations Division (AMK-325), Federal Aviation Administration, Mike Monroney Aeronautical Center, 6500 S MacArthur Blvd, Oklahoma City, Oklahoma 79169. The Financial Operations Division telephone number is (405) 954-8845.

Failure to pay the \$41,000 civil penalty will result in accrual of interest at the current annual rate in accordance with 31 U.S.C. § 3717, 31 C.F.R. § 901.9 and 49 C.F.R. § 89.23. Pursuant to those same authorities, a late penalty charge of six percent (6%) per annum will be charged if payment is not made within 110 days of service. Furthermore, failure to pay the civil penalty may result in referral of the matter to the Attorney General for appropriate action in a district court of the United States.

WARNING ITEM

With respect to Item 1, the Notice alleged probable violation of Part 193, but identified it as a warning item pursuant to § 190.205. The warning was for:

³ See Pipeline Safety Violation Report (Violation Report), June 17, 2021 (on file with PHMSA) at 9 (instructing OPS to "[s]elect the most severe category that applies to any of the instances of the violation - except select Category 5 regardless of the location if pipeline safety was minimally affected by all instances of the violation.").

49 C.F.R. § 193.2521 (**Item 1**) — Respondent's alleged failure to maintain records that personnel responded to indications of abnormal operations.

If OPS finds a violation of this provision in a subsequent inspection, Respondent may be subject to future enforcement action.

Under 49 C.F.R. § 190.243, Respondent may submit a Petition for Reconsideration of this Final Order to the Associate Administrator, Office of Pipeline Safety, PHMSA, 1200 New Jersey Avenue, SE, East Building, 2nd Floor, Washington, DC 20590, with a copy sent to the Office of Chief Counsel, PHMSA, at the same address, no later than 20 days after receipt of service of the Final Order by Respondent. Any petition submitted must contain a brief statement of the issue(s) and meet all other requirements of 49 C.F.R. § 190.243. The filing of a petition automatically stays the payment of any civil penalty assessed. The other terms of the order, including any corrective action, remain in effect unless the Associate Administrator, upon request, grants a stay. If Respondent submits payment of the civil penalty, the Final Order becomes the final administrative decision and the right to petition for reconsideration is waived.

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

December 1, 2021

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

Date Issued