December 4, 2020

VIA ELECTRONIC MAIL TO: terry.spencer@oneok.com

Mr. Terry Spencer  
Chief Executive Officer  
Viking Gas Transmission Company  
100 West Fifth Street,  
Tulsa, Oklahoma 74103

Re: CPF No. 3-2020-1003

Dear Mr. Spencer:

Enclosed please find the Final Order issued in the above-referenced case to Viking Gas Transmission Company. It makes one finding of violation and finds that the proposed actions to comply with the pipeline safety regulations have been completed. Therefore, this case is now closed. Service of the Final Order by electronic 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 (Final Order and NOPV)

cc: Mr. Roger Thorpe, Vice President Gas Pipeline Operations, Viking Gas Transmission Company, roger.thorpe@oneok.com  
Mr. Gary Numedahl, Director – DOT Compliance, ONEOK, Inc.  
gary.numedahl@oneok.com  
Mr. Kevin Burdick, Executive Vice President and Chief Operating Officer, ONEOK, Inc.  
kevin.burdick@oneok.com

CONFIRMATION OF RECEIPT REQUESTED
In the Matter of

Viking Gas Transmission Company, a subsidiary of ONEOK, Inc.,

Respondent.

CPF No. 3-2020-1003

FINAL ORDER

On September 30, 2020, pursuant to 49 C.F.R. § 190.207, the Director, Central Region, Office of Pipeline Safety (OPS), issued a Notice of Probable Violation (Notice) to Viking Gas Transmission Company (Respondent), a subsidiary of ONEOK, Inc. The Notice proposed finding that Respondent had violated a pipeline safety regulation in 49 C.F.R. Part 192 and proposed certain measures to correct the violation. Respondent did not contest the allegations of violation or corrective measures.

Based upon a review of all of the evidence, pursuant to § 190.213, I find that Respondent violated the pipeline safety regulation listed below, as more fully described in the enclosed Notice, which is incorporated by reference:

49 C.F.R. § 192.167(a)(4) (Item 1) — Respondent failed to provide, for five compressor stations, emergency shutdown systems that were operable from at least two separate locations, each of which was located outside the gas area of the compressor station and near the exit gates of fenced-in stations.

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

The Director has indicated that Respondent completed the actions proposed in the Notice to correct the violation. Therefore, it is not necessary to include the proposed compliance terms in this Final Order.

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

ALAN KRAMER MAYBERRY
Digitally signed by ALAN KRAMER MAYBERRY
Date: 2020.12.03 09:26:10 -05'00'

Alan K. Mayberry
Associate Administrator
for Pipeline Safety

December 4, 2020
Date Issued
NOTICE OF PROBABLE VIOLATION
and
PROPOSED COMPLIANCE ORDER

VIA ELECTRONIC MAIL TO: Kevin.Burdick@ONEOK.com and Roger.Thorpe@ONEOK.com

September 30, 2020

Mr. Kevin Burdick
Executive VP and Chief Operating Officer
ONEOK Inc.
100 West Fifth Street,
Tulsa, OK 74103

CPF 3-2020-1003

Dear Mr. Burdick:

From August 13 – 17, 2018, the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS)’s Interstate Agent (Minnesota Office of Pipeline Safety - MNOPS), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected Viking Gas Transmission Company’s (Viking) compressor stations in Minnesota.

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 item inspected and the probable violation is:

1. §192.167 Compressor stations: Emergency shutdown.
   (a) Except for unattended field compressor stations of 1,000 horsepower (746 kilowatts) or less, each compressor station must have an emergency shutdown system that meets the following:
(1) ...

(4) It must be operable from at least two locations, each of which is:
   (i) Outside the gas area of the station;
   (ii) Near the exit gates, if the station is fenced, or near emergency exits, if
        not fenced; and
   (iii) Not more than 500 feet (153 meters) from the limits of the station.

Viking failed to provide emergency shutdown (ESD) systems in at least two locations, each of
which was outside the gas area of the compressor station and near the exit gates of the fenced
station as required by §192.167(a)(4)(ii). Viking has a total of five compressor stations that
did not have two separate locations for the ESD systems near exit gates in fenced areas.
During the field inspection, MNOPS identified these five compressor stations without proper
ESD locations. After notification and a chance to review, Viking noted that compressor
stations in Minnesota named Milaca, Cushing, Frazee, Ada, and Angus, had turbines greater
than 1000 horsepower added to these stations in 1997-1998. During discussions with Viking,
Viking acknowledged that ESD pushbuttons near a second gate were needed at all five
stations. Furthermore, in correspondence in January 2019, following the inspection, Viking
stated that, "A plan is being developed to install additional ESD buttons as needed at each
Viking compressor station with installations to occur in 2019." To date, Viking has not
provided documentation to PHMSA showing that it has completed the ESD installations to
bring them into compliance with §192.167(a)(4)(ii).

Proposed Compliance Order

With respect to item 1, pursuant to 49 U.S.C. § 60118, the PHMSA proposes to issue a
Compliance Order to Viking Gas Transmission. 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 Enforcement Proceedings. Please refer to this document and note the response
options. All material you 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 receipt of this Notice. This period may be extended by written request for good cause.

In your correspondence on this matter, please refer to CPF 3-2020-1003 and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Gregory A. Ochs,
Director, Central Region,
Pipeline and Hazardous Materials Safety Administration

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

cc: Mr. Roger Thorpe, Vice President Gas Pipeline Operations, Viking Gas Transmission Company, 100 West Fifth Street, Tulsa, OK 74103
PROPOSED COMPLIANCE ORDER

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

1. In regard to Item Number 1 of the Notice pertaining to the location of emergency shutdowns (ESD) systems at compressor stations (CS), Viking Gas Transmission Company must modify its ESD systems to provide a minimum of two locations operable from outside of the gas areas and near the exit gates at Angus CS, Ada CS, Frazee CS, Cushing CS, and Milaca CS, all located in Minnesota.

2. Viking Gas Transmission Company must make the above noted modifications within six months of issuance of the final order, and provide documentation to PHMSA Central Region to show completion of the work.

3. It is requested (not mandated) that Viking Gas Transmission Company maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Mr. Greg Ochs, Director, Central 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.