

WARNING LETTER

VIA ELECTRONIC MAIL TO: alan.armstrong@williams.com & edgar.x.rodriguez@williams.com

April 7, 2021

Mr. Alan Armstrong
President & CEO
Transcontinental Gas Pipeline Company
One Williams Center
PO Box 2400
Tulsa, OK 74102-2400

CPF-3-2021-021-WL

Dear Mr. Armstrong:

On May 4 – 8, 2020, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) and New York State Department of Public Service pursuant to Chapter 601 of 49 United States Code (U.S.C.) inspected your Control Room Management Plan and Control Room Records in Houston, TX. The inspection pertained to OPID's 19750/Transcontinental Gas Pipeline Company, 31565/Gulf Stream Management & Operating Services, LLC, 32684/Pine Needle Operating Company, LLC and 32657/Cardinal Operating Company, LLC.

This Notice is in response to PHMSA's Control Room Management (CRM) Initiative, which is a national level program that includes inspectors from every region. As a result, you may have received this Notice from a different Regional Director than typical because the CRM Initiative inspections are currently separate from the standard inspection program. Notices and correspondence from other types of inspections will remain unchanged.

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

1. 192.631 Control room management

(a) General.

(1) This section applies to each operator of a pipeline facility with a controller working in a control room who monitors and controls all or part of a pipeline facility through a SCADA system. Each operator must have and follow written control room management procedures that implement the requirements of this section, except that for each control room where an operator's activities are limited to either or both of:

TransCo failed to adequately implement their procedure to review and determine effectiveness of their Alarm Management Plan as required in Section §192.631(e)(4). A review of the records, presented for inspection, for the annual review of TransCo's Alarm Management Plan, for 2017, 2018 and 2019, revealed that the review did not meet TransCo's procedural requirements defined in Section 700.604 in *Williams Control Room Management Plan Revision 14 Effective 2/11/2020* to evaluate the effectiveness of their Alarm Management Plan. The procedure provides four bullet points that the procedure states the annual review will include in the review. The records, for the annual reviews, indicated the review process missed addressing these bullet points and simply completed a review of the language of the procedure. During discussion, it was stated that they used their kpi metric to determine if the plan was effective. A review of the monthly report to officers, used as an evaluation metric for the Alarm Management Plan effectiveness, still did not cover the four bullet points.

2. 192.631 Control room management

c) Provide adequate information. Each operator must provide its controllers with the information, tools, processes and procedures necessary for the controllers to carry out the roles and responsibilities the operator has defined by performing each of the following:

(1)...

(2) ...

(3) ...

(4) Test any backup SCADA systems at least once each calendar year, but at intervals not to exceed 15 months; and

TransCo failed to test the Station 35 Interim back up facility in 2017 and 2019. Station 35 Interim control room back up is a facility that is logistically very close to the primary control room and only intended for short duration use. It shares a secure space within Compressor Station 35 building facilities and was listed as a backup control center/interim site in procedure 07.71.007-OG Control Room Evacuation Procedures Step 2.0. The backup interim site/Station 35 was tested, subsequently, in 2018, as part of the control room evacuation test.

Additionally, in November 2018, TransCo brought up the SCADA servers at their back up Station 200/Pennsylvania, transferred control to those servers and operated from the Station 35 Interim Site due to a fire on the floor above the control room. This actual operation served as the backup test.

TransCo stated they did not perform the full test at Station 200/Pennsylvania, primary back up, in May 2018, because in 2017 they operated from the station during Hurricane Harvey. They only transferred to the primary servers and operated under that system to verify the Pennsylvania servers function and connection.

The purpose of testing back up control centers is intended to test the whole process of building access, travel to the site, making sure utilities are working, systems and applications are functional. In other words, at that point in time, of the test, the facility was proven to be fully functional as intended and any issues identified will be corrected and addressed. It does not matter if it is considered a minor facility or if it was operated long term the year before, the language is clear, backup SCADA systems (HMI's, servers, printers, communications, building security, etc.) must be tested at least once each calendar year, but at intervals not to exceed 15 months.

Follow up by TransCo: After the inspection, TransCo relocated the back up control room from Station 200 to Tulsa, Oklahoma. This was also reflected in their CRM Plan.

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$222,504 per violation per day the violation persists, up to a maximum of \$2,225,034 for a related series of violations. For violation occurring on or after July 31, 2019 and before January 11, 2021, the maximum penalty may not exceed \$218,647 per violation per day the violation persists, up to a maximum of \$2,186,465 for a related series of violations. For violation occurring on or after November 27, 2018 and before July 31, 2019, the maximum penalty may not exceed \$213,268 per violation per day, with a maximum penalty not to exceed \$2,132,679. For violation occurring on or after November 2, 2015 and before November 27, 2018, the maximum penalty may not exceed \$209,002 per violation per day, with a maximum penalty not to exceed \$2,090,022.

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(s) identified in this letter. Failure to do so will result in Transcontinental Gas Pipeline Company being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 3-2021-021-WL**. 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).

Sincerely,

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

cc: Edgar X. Rodriguez, Regulatory Compliance Specialist Sr. edgar.x.rodriguez@williams.com