



U.S. Department of Transportation
Pipeline and Hazardous Materials
Safety Administration

1200 New Jersey Ave, S.E.
Washington, D.C. 20590

DEC 02 2009

Mr. Michel E. Nelson
Senior Vice President, Natural Gas Pipeline Operations
ONEOK Partners, L.P.
100 West Fifth Street
Tulsa, Oklahoma 74121-4298

Re: CPF No. 4-2008-1003

Dear Mr. Nelson:

Enclosed is the Final Order issued in the above-referenced case. It makes a finding of violation and finds that ONEOK Partners, L.P. has completed the actions specified in the Notice required to comply with the pipeline safety regulations. This case is now closed. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. R.M. Seeley, Director, Southwest Region, PHMSA

CERTIFIED MAIL – RETURN RECEIPT REQUESTED [7005 0390 0005 6162 5135]

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

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| _____ |) | |
| In the Matter of |) | |
| |) | |
| ONEOK Partners, L.P., |) | CPF No. 4-2008-1003 |
| |) | |
| Respondent. |) | |
| _____ |) | |

FINAL ORDER

Between September 10 to 14, September 24 to 26, and on December 6, 2007, 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 integrity management program (IMP) of ONEOK Partners, L.P. (ONEOK or Respondent). The inspection occurred at Respondent's facilities in Tulsa, Oklahoma, and El Paso, Texas, and included a reviewed of the IMP for the OKTex and Norteno pipelines, both of which are owned and operated by ONEOK. In total, Respondent owns and operates approximately 1,290 miles of interstate natural gas pipelines across thirteen states, as well as numerous natural gas storage facilities.

As a result of the inspection, the Director, Southwest Region, OPS (Director), issued to ONEOK, by letter dated March 14, 2008, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that ONEOK had violated 49 C.F.R § 192.619 and ordering Respondent to take certain measures to correct the alleged violation.

ONEOK responded to the Notice by letters dated April 16, August 13, and August 28, 2008 (collectively, Response). Respondent did not contest the allegation of violation but instead described corrective actions it planned to implement. ONEOK did not request a hearing and therefore has waived its right to one.

FINDING OF VIOLATION

Item 1: The Notice alleged that ONEOK violated 49 C.F.R. § 192.619, which states:

§ 192.619 Maximum allowable operating pressure: Steel or plastic pipelines.

(a) Except as provided in paragraph (c) of this section, no person may operate a segment of steel or plastic pipeline at a pressure that exceeds the lowest of the following:

(1) The design pressure of the weakest element in the segment, determined in accordance with subparts C and D of this part. However, for steel pipe in pipelines being converted under §192.14 or uprated under subpart K of this part, if any variable necessary to determine the design pressure under the design formula (§ 192.105) is unknown, one of the following pressures is to be used as design pressure:

(i) Eighty percent of the first test pressure that produces yield under section N5 of Appendix N of ASME B31.8 (incorporated by reference, *see* § 192.7), reduced by the appropriate factor in paragraph (a)(2)(ii) of this section; or

(ii) If the pipe is 12 ¾ inches (324 mm) or less in outside diameter and is not tested to yield under this paragraph, 200 p.s.i. (1379 kPa).

(2) The pressure obtained by dividing the pressure to which the segment was tested after construction as follows:

(i) For plastic pipe in all locations, the test pressure is divided by a factor of 1.5.

(ii) For steel pipe operated at 100 p.s.i. (689 kPa) gage or more, the test pressure is divided by a factor determined in accordance with the following table:

| Class location | Factors ¹ , segment— | | |
|----------------|----------------------------------|---------------------------------|-------------------------|
| | Installed before (Nov. 12, 1970) | Installed after (Nov. 11, 1970) | Converted under §192.14 |
| 1 | 1.1 | 1.1 | 1.25 |
| 2 | 1.25 | 1.25 | 1.25 |
| 3 | 1.4 | 1.5 | 1.5 |
| 4 | 1.4 | 1.5 | 1.5 |

¹ For offshore segments installed, uprated or converted after July 31, 1977, that are not located on an offshore platform, the factor is 1.25. For segments installed, uprated or converted after July 31, 1977, that are located on an offshore platform or on a platform in inland navigable waters, including a pipe riser, the factor is 1.5.

(3) The highest actual operating pressure to which the segment was subjected during the 5 years preceding the applicable date in the second column. This pressure restriction applies unless the segment was tested according to the requirements in paragraph (a)(2) of this section after the applicable date in the third column or the segment was updated according to the requirements in subpart K of this part:

| Pipeline segment | Pressure date | Test date |
|--|--|---|
| Onshore gathering line that first became subject to this part (other than §192.612) after April 13, 2006 Onshore transmission line that was a gathering line not subject to this part before March 15, 2006 | March 15, 2006, or date line becomes subject to this part, whichever is later. | 5 years preceding applicable date in second column. |
| Offshore gathering lines | July 1, 1976 | July 1, 1971. |
| All other pipelines | July 1, 1970 | July 1, 1965. |

(4) The pressure determined by the operator to be the maximum safe pressure after considering the history of the segment, particularly known corrosion and the actual operating pressure.

(b) No person may operate a segment to which paragraph (a)(4) of this section is applicable, unless over-pressure protective devices are installed on the segment in a manner that will prevent the maximum allowable operating pressure from being exceeded, in accordance with §192.195.

(c) The requirements on pressure restrictions in this section do not apply in the following instance. An operator may operate a segment of pipeline found to be in satisfactory condition, considering its operating and maintenance history, at the highest actual operating pressure to which the segment was subjected during the 5 years preceding the applicable date in the second column of the table in paragraph (a)(3) of this section. An operator must still comply with §192.611.

(d) The operator of a pipeline segment of steel pipeline meeting the conditions prescribed in §192.620(b) may elect to operate the segment at a maximum allowable operating pressure determined under §192.620(a).²

² This regulation was amended by final rule, effective December 1, 2008, to include section (d). *See* Pipeline Safety: Standards for Increasing the Maximum Allowable Operating Pressure for Gas Transmission Pipelines, 73 Fed. Reg. 62148 (October 17, 2008) and 73 Fed. Reg. 72737 (November 17, 2008) (codified at 49 C.F.R. 192.619). This addition does not affect the violation alleged in the March 14, 2008 Notice.

The Notice alleged that ONEOK violated § 192.619 by failing to establish the maximum allowable operating pressure (MAOP) for three segments of the Norteno Pipeline. Specifically, the Notice alleged that Respondent could not show that it had properly established the MAOP for the Norteno #1, Norteno #4, and Norteno #5 segments by taking into account all of the factors listed in the regulation, including the design pressure of the weakest element in the segment, certain test pressures, and the historical operating pressure of the line. The regulation requires that the MAOP of a segment be established using these factors to ensure that Respondent is not operating the line at an unsafe pressure. Operating a line at an unsafe pressure could cause a potential pipeline leak or rupture and adversely impact public safety and the environment. Respondent did not contest this violation and accepted the terms of the proposed compliance order. Accordingly, I find that Respondent violated 49 C.F.R. § 192.619 by failing to establish the MAOP for certain segments of the Norteno Pipeline.

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

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 1 in the Notice for violating 49 C.F.R. § 192.619. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under chapter 601. The Director has indicated that Respondent has demonstrated completion of the actions listed in the proposed compliance order:

1. Item 1 of the Proposed Compliance Order directed ONEOK to establish the MAOP of the Norteno #1 pipeline based upon the requirements of § 192.619. Respondent provided documentation of a July 19, 2007 eight-hour pressure test to 688 psig on the 12" Norteno #1 line (segments #1, #2, and #3) to establish the MAOP at 454 psig for these Class 2 and 3 segments.

The Norteno #1 Pipeline, segment #4, was pressure tested to 499 psig on July 15, 2008, to establish a MAOP of 454 psig for this Class 1 segment. Respondent submitted a pressure test plan to OPS that included a review of the existing materials, operating history, test limits, leak history, survey requirements and pressure test criteria. These materials were deemed acceptable under § 192.619.

2. Item 2 of the Proposed Compliance Order directed ONEOK to provide documentation for the MAOP for Norteno Pipelines, #1, #4, and #5. ONEOK submitted the documentation to support the pressure tests that occurred on July 19, 2007 (Norteno #1), November 5-8, 2007 (Norteno #s 4 & 5), and July 15, 2008 (Norteno #1, segment #4).
 - Norteno #1: 454 psig
 - Norteno #4: El Paso RP to Canutillo DP-252 psig

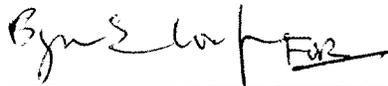
- Norteno #4: Canutillo DP to end of line-104 psig
- Norteno #4: Gillette Road Lateral-104 psig
- Norteno #5: 61 psig

These materials were deemed acceptable under § 192.619.

3. Respondent provided proof to the Director of the safety improvement costs totaling \$29,104.08.

Since compliance has been achieved with respect to this violation, it is unnecessary to include the compliance terms in this Order.

The terms and conditions of this Final Order shall be effective upon receipt.



Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

DEC 02 2009

Date Issued