



U.S. Department
of Transportation

Pipeline and Hazardous Materials
Safety Administration

1200 New Jersey Ave., SE
Washington, DC 20590

AUG 23 2010

Mr. Larry Hjalmarson
Vice President, Operations
Williams Gas Pipeline Company, LLC
2800 Post Oak Boulevard
Houston, TX 77056

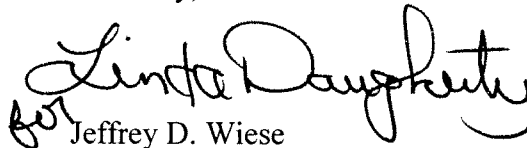
Re: CPF No. 4-2010-1002

Dear Mr. Hjalmarson:

Enclosed please find the Final Order issued in the above-referenced case. It makes one finding of violation and specifies actions that need to be taken by Williams Gas Pipeline Company, LLC, to comply with the pipeline safety regulations. When the terms of the compliance order have been completed, as determined by the Director, Southwest Region, this enforcement action will be closed. Service of the Final Order by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,


for Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

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

CERTIFIED MAIL – RETURN RECEIPT REQUESTED [7009 1410 0000 2472 2780]

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

_____)
In the Matter of)

Williams Gas Pipeline Company, LLC,)

Respondent.)
_____)

CPF No. 4-2010-1002

FINAL ORDER

During August, September, and December 2009, 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 on-site pipeline safety inspection of the facilities of Williams Gas Pipeline Company, LLC (Williams or Respondent), in southern Louisiana. The OPS representative inspected transmission, compression, storage, and metering facilities along the Transcontinental Pipeline. Williams, a subsidiary of The Williams Companies, Inc., owns and operates approximately 14,000 miles of gas transmission and gathering lines across the United States, including the 10,000-mile Transcontinental Pipeline, which extends from Texas, Louisiana, Mississippi and the Gulf of Mexico to Atlantic seaboard states.¹

As a result of the inspection, the Director, Southwest Region, OPS (Director), issued to Respondent, by letter dated May 19, 2010, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Williams had violated 49 C.F.R. § 192.179(b) and proposed ordering Respondent to take certain measures to correct the alleged violation. The Notice also proposed finding that Respondent had committed certain other probable violations of 49 C.F.R. Part 192 and warning Respondent to take appropriate corrective action or be subject to future enforcement action.

An electronic record from the U.S. Postal Service confirms that Williams received the Notice on May 24, 2010. Respondent failed to respond within 30 days of receipt of the Notice. Pursuant to 49 C.F.R. § 190.209(c), Respondent's failure to respond constitutes a waiver of the company's right to contest the allegations in the Notice and authorizes the entry of this Final Order finding the facts to be as alleged.

¹ The Williams Companies, Inc., SEC Annual Report (Form 10-K), at 2 and 9 (Feb. 26, 2010). Respondent files annual reports with PHMSA under the name Williams Gas Pipeline – Transco. Transcontinental Gas Pipe Line Company, LLC (Transco) is a division of Williams Gas Pipeline Company, LLC.

FINDING OF VIOLATION

Williams has waived its right to contest the allegation in the Notice that it violated 49 C.F.R. Part 192, as follows:

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 192.179(b), which states in relevant part:

§ 192.179 – Transmission line valves.

- (a)
- (b) Each sectionalizing block valve on a transmission line, other than offshore segments, must comply with the following:
 - (1) The valve and the operating device to open or close the valve must be readily accessible and protected from tampering and damage.

The Notice alleged that Respondent violated 49 C.F.R. § 192.179(b) by failing to protect sectionalizing block valves from tampering and damage. Specifically, the Notice alleged that the chain on a block valve at Cow Island was not secured, which left the valve vulnerable to tampering or damage. The Notice also alleged that the block valves at the company's Gueydan meter station used decorative chains that provided inadequate security. Respondent's failure to respond authorizes PHMSA to find these facts to be as alleged. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 192.179(b) by failing to protect sectionalizing block valves from tampering and damage.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 1 in the Notice for violation of 49 C.F.R. § 192.179(b). 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. Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations:

With respect to the violation of § 192.179(b), Respondent must:

1. Within 90 days of receipt of this Final Order, survey all transmission line sectionalizing block valves and replace all decorative style chain and other non-secure means of protection with security chain or other secure means of protection to ensure that valves are protected from tampering.
2. Maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to the Director. Costs shall 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.

3. Complete each of the above items and submit documentation of compliance to the Director, Southwest Region, Office of Pipeline Safety, 8701 South Gessner Dr. Suite 1110, Houston, TX 77074-2949.

The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent and demonstrating good cause for an extension.

Failure to comply with this Order may result in the administrative assessment of civil penalties not to exceed \$100,000 for each violation for each day the violation continues or in referral to the Attorney General for appropriate relief in a district court of the United States.

WARNING ITEMS

With respect to Items 2 and 3, the Notice alleged probable violations of Part 192 but did not propose a civil penalty or compliance order for these items. Therefore, these are considered to be warning items. The warnings were for:

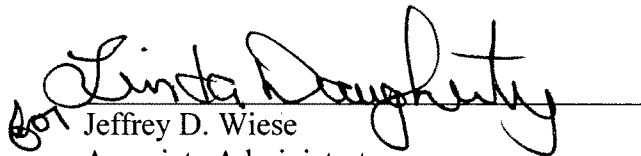
49 C.F.R. § 192.243(b) (**Item 2**) — Respondent's alleged failure to perform nondestructive testing of welds in accordance with its written procedures. Specifically, the Notice alleged that Williams performed nondestructive testing of welds in 2007, and that the company could not demonstrate that during this testing it complied with applicable procedures relating to densitometers, film density, radiographic procedure qualification reports, and NDE work reports; and

49 C.F.R. § 192.745(a) (**Item 3**) — Respondent's alleged failure to inspect and partially operate a transmission line with the required frequency. Specifically, the Notice alleged that Respondent could not provide documentation that it had inspected a particular isolation valve during the 2007 calendar year.

Accordingly, having considered such information, I find, pursuant to 49 C.F.R. § 190.205, that probable violations of 49 C.F.R. § 192.243(b) (Notice Item 2) and 49 C.F.R. § 192.745(a) (Notice Item 3) have occurred and Respondent is hereby advised to correct such conditions. In the event that OPS finds a violation of any of these items in a subsequent inspection, Respondent may be subject to future enforcement action.

Under 49 C.F.R. § 190.215, Respondent has a right to submit a Petition for Reconsideration of this Final Order. The petition must be sent to: 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. PHMSA will accept petitions received no later than 20 days after receipt of this Final Order by the Respondent, provided they contain a brief statement of the issue(s) and meet all other requirements of 49 C.F.R. § 190.215. The terms of the Final Order, including any required

corrective action, shall remain in full force and effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.


for Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

AUG 28 2010

Date Issued