September 4, 2009

Gas Pipelines - Transco
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Byron Coy, P.E.
Director, Eastern Region
Pipeline and Hazardous Material
Safety Administration
820 Bear Tavern Road, Suite 306
West Trenton, NJ 08628

SEP 08 2009

RE: CPF 1-2009-1007

Dear Mr. Coy,

In response to your Notice of Probable Violation and Proposed Civil Penalty dated August 6, 2009, Williams-Transco respectfully acknowledges that our efforts to control corrosion of our pipeline were not successful in preventing the rupture that occurred on September 14, 2008. We sincerely regret the injuries and damage this caused to our neighbors in Appomattox. We have done our best to care for everyone who was affected and to repair all damages. We are also doing our best to prevent a similar event in the future and in that light we take the advice you are giving us to heart.

We do not contest the proposed civil penalty and would like to offer this response to supplement the factual evidence presented in your letter. While your timeline of the remedial efforts we took to improve the low pipe-to-soil reading near the rupture area are correct, we feel several important points were omitted.

As you accurately stated, we conducted a close interval survey in 2003 that identified an area of our pipeline that was not receiving adequate cathodic protection. In response to these low readings, we attempted to improve the cathodic protection by installing a remote ground bed in 2004. To validate the effectiveness of this remediation, we conducted another close interval survey in 2006. After finding our initial attempt unsuccessful, we installed a linear anode system in 2007 through the area containing low pipe-to-soil readings, including the rupture area.

On June 23, 2008, pursuant to our Integrity Management Plan, an in-line inspection was completed for the pipeline section that experienced the rupture. The results of the inspection were received on August 15, 2008 and did not indicate any immediate safety problem, including the areas that had experienced the low pipe-to-soil readings.

We believed we were taking the appropriate steps to address known low readings. Our cathodic protection improvements and subsequent in-line inspection led us to believe the pipeline was safe. We now know this was not the case. We have evaluated the lessons learned and are implementing the following actions.

Review and share our lessons learned. – We have reviewed the lessons learned and are applying them throughout our system. We have also shared our experience with peers across the industry.

Continued close interval survey and more aggressive evaluation of low pipe-to-soil readings – The cathodic test stations on either side of the rupture area identified adequate cathodic protection existed, but this was not sufficient. We now know there was active corrosion. Accordingly, we

will continue to employ close interval survey inspections as a supplement measure of our cathodic protection effectiveness. When low readings are identified, we'll utilize direct assessment methodologies to assess potential metal loss and recoat or repair the pipeline, as necessary.

Improved In-Line Inspection – A great concern is that the in-line inspection did not identify the hazard. We are working with our ILI vendors to improve the MFL technology to identify this unusual type of anomaly in the future. We are also exploring other ILI technologies to do the same. These efforts will make our pipelines safer and will make the industry safer.

Continued In-Line Inspection - MFL is the best tool the pipeline industry has to detect safety related conditions due to dents, corrosion, and prior damages from third-party construction. While we believe that the smooth, gradual thinning of the pipe wall caused the MFL to under-call the anomaly, this technology has allowed us to identify and correct many potential leaks and ruptures both in HCA and non-HCA locations.

Evaluated and Implement New Technologies - We are exploring uses of technologies that better detect sections of pipeline that are being shielded from cathodic protection. We are exploring the use of coatings that can better protect from abrasion and shielding, especially in areas of rocky terrain. We are using technologies such as guided wave to detect sections of corroded pipeline that may be inaccessible to direct examination or shielded from cathodic protection

Risk Assessment – We have evaluated the conditions that caused the corrosion at the rupture site and believe that the large concentration of consolidated rock acted to shield our pipeline from receiving cathodic protection. We are reviewing our data to determine if this condition may exist elsewhere.

In closing, I want to reiterate our goal to operate and maintain a safe pipeline. As I have described herein, our efforts often take us beyond minimal compliance requirements. However, in this case, we failed to protect the public. The penalty happened the moment the rupture occurred. No other penalty makes us feel worse than we already do, nor changes our commitment. Your words and advice are important to us and we take them to heart. We are a learning organization and welcome your oversight and your collaboration with us in this very challenging effort.

Sincerely,

Larry Hjelmanson on behalf of Randy Barnard

Randy Barnard
Sr. VP Tech Svc & OPS GP
Williams Gas Pipe Line

cc: Cynthia Douglass, PHMSA Acting Deputy Administrator
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