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

901 Locust Street, Suite 480
Kansas City, MO 64106

# NOTICE OF AMENDMENT

**VIA ELECTRONIC MAIL TO: pierce.norton@oneok.com; scott.schingen@oneok.com; roger.thorp@oneok.com; teri.anderson@oneok.com**

August 20, 2024

Pierce H. Norton II
President and Chief Executive Officer
ONEOK, Inc.
100 West Fifth Street
Tulsa, Oklahoma 74103

**CPF 3-2024-063-NOA**

Dear Mr. Norton:

From February 27 through October 16, 2023, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected the Viking Gas Transmission Company (VGT) pipeline. VGT is a subsidiary of ONEOK, Inc. The system inspected is located in the states of Wisconsin and North Dakota.

As a result of the inspection, PHMSA has identified the apparent inadequacies found within VGT's plans or procedures. The items inspected and the inadequacies are described below:

**1. § 192.605 Procedural manual for operations, maintenance, and emergencies.**

**Each operator shall include the following in its operating and maintenance plan:**
**(a) . . . .**
**(b) *Maintenance and normal operations.* The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.**
**(1) . . . .**
**(2) Controlling corrosion in accordance with the operations and maintenance requirements of subpart I of this part.**

VGT's procedural manual for operations, maintenance, and emergencies was inadequate as it did not include adequate procedures for "[c]ontrolling corrosion in accordance with the operations and maintenance requirements of subpart I," per §§ 192.605(a) and (b)(2). Subpart I "Requirements for Corrosion Control," includes § 192.469, "External corrosion control: Test

stations." Specifically, VGT's procedure, entitled "Corrosion Control Standard," was inadequate because it failed to identify criteria to determine if a sufficient number of test stations currently existed for electrical measurement to determine the adequate cathodic protection, as required by § 192.469. VGT's Corrosion Control Standard Appendix D failed to (1) identify a method for determining sufficient number of test points, and (2) prescribe when additional cathodic protection surveys are required to determine the adequacy of the cathodic protection. The procedure must be amended to provide criteria for identifying if a sufficient number of test stations are available and to clarify when additional cathodic protection surveys are required.

**2. § 192.907 What must an operator do to implement this subpart?**

**(a) General. No later than December 17, 2004, an operator of a covered pipeline segment must develop and follow a written integrity management program that contains all the elements described in § 192.911 and that addresses the risks on each covered transmission pipeline segment. The initial integrity management program must consist, at a minimum, of a framework that describes the process for implementing each program element, how relevant decisions will be made and by whom, a time line for completing the work to implement the program element, and how information gained from experience will be continuously incorporated into the program. The framework will evolve into a more detailed and comprehensive program. An operator must make continual improvements to the program.**

VGT's "Natural Gas Integrity Management Plan Appendix – Procedures" (NG IMP Appendix) was inadequate because it failed to include timelines for completing the work to implement the required program element, per the requirements of § 192.907(a). Specifically, NG IMP Appendix Procedure 63, entitled "Data Integration," section 5 failed to identify when a pre-assessment evaluation must be conducted or when a post-assessment evaluation must be completed. By not establishing a time frame or trigger condition to conduct or complete either the pre-assessment evaluation or post-assessment evaluation, VGT personnel will not know when these processes must be conducted. The procedure must be amended to include a time frame or trigger to conduct and complete the pre-assessment evaluation and post-assessment evaluation.

**3. § 192.907 What must an operator do to implement this subpart?**

**(a) General. No later than December 17, 2004, an operator of a covered pipeline segment must develop and follow a written integrity management program that contains all the elements described in § 192.911 and that addresses the risks on each covered transmission pipeline segment. The initial integrity management program must consist, at a minimum, of a framework that describes the process for implementing each program element, how relevant decisions will be made and by whom, a time line for completing the work to implement the program element, and how information gained from experience will be continuously incorporated into the program. The framework will evolve into a more detailed and comprehensive program. An operator must make continual improvements to the program.**

VGT's NG IMP Appendix was inadequate because it did not include all of the elements described in § 192.911, per the requirements of § 192.907(a). Section 192.911(c), "What are the elements of an integrity management program?," requires operators to use threat identification and risk assessment, per § 192.917. VGT's NG IMP Appendix failed to address the threat of lamination (mid wall indications), as required by § 192.917. Lamination is an identified threat under ASME B31.85 (incorporated by reference), as it is a "manufacturing related defect." Specifically, VGT's NG IMP Appendix Procedure 53 failed to include an evaluation method or repair criteria for the threat of lamination. The procedure must be amended to include an evaluation method and repair criteria for the threat of lamination.

**4.** § **192.907 What must an operator do to implement this subpart?**

**(a) . . . .**
**(b)** ***Implementation Standards*****. In carrying out this subpart, an operator must follow the requirements of this subpart and of ASME B31.8S (incorporated by reference, see § 192.7) and its appendices, where specified. An operator may follow an equivalent standard or practice only when the operator demonstrates the alternative standard or practice only when the operator demonstrates the alternative standard or practice provides an equivalent level of safety to the public and property. In the event of a conflict between this subpart and ASME B31.8S, the requirements in this subpart control.**

VGT's NG IMP Appendix was found to be inadequate because it failed to define when and how a "response plan shall be developed," as required by §§ 192.907(a) and (b), and ASME B31.8S (incorporated by reference in § 192.7). Specifically, VGT's NG IMP Appendix Procedure 53 referenced a remediation plan, but failed to prescribe plan requirements. Additionally, VGT's NG IMP App Procedure 63 referenced a remediation schedule, but failed to prescribe schedule requirements. Thus, VGT's NG IMP Appendix failed to provide adequate guidance concerning time frames for physical examination of anomalies. The procedures must be modified to include a response plan and schedule for anomalous conditions identified during the assessment.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.206. 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. 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).

Following the receipt of this Notice, you have 30 days to submit written comments, revised procedures, or a request for a hearing under § 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 an Order Directing Amendment. If your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.206). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within **90** days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

It is requested that VGT maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to Gregory A. Ochs, Director, Central Region, Pipeline and Hazardous Materials Safety Administration. In correspondence concerning this matter, please refer to **CPF 3-2024-063-NOA** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

GREGORY ALAN OCHS Digitally signed by GREGORY ALAN OCHS
Date: 2024.08.20 12:11:15 -05'00'

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

cc: Scott Schingen, Senior VP of Natural Gas Liquids and Natural Gas Operations, ONEOK, (scott.schingen@oneok.com)
Roger Thorp, VP of Natural Gas Operations, ONEOK, (roger.thorp@oneok.com)
Teri Anderson, Senior Manager of DOT Compliance Services, ONEOK, (teri.anderson@oneok.com)

Enclosure: *Response Options for Pipeline Operators in Enforcement Proceedings*