

WARNING LETTER

VIA ELECTRONIC MAIL TO: MR. ALAN ARMSTRONG

March 6, 2024

Mr. Alan Armstrong
President and CEO
The Williams Companies, Inc.
One Williams Center
P.O Box 2400
Tulsa, OK 74102

CPF 5-2024-019-WL

Dear Mr. Armstrong:

From March 20, 2023, through November 30, 2023, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code (U.S.C.), inspected The Williams Companies Inc. (Williams), Northwest pipeline system in Washington, Oregon, Idaho, Utah, Wyoming, and Colorado.

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 inspected and the probable violation is:

1. § 192.921 How is the baseline assessment to be conducted?

(a) ...

(g) *Newly installed pipe.* An operator must complete the baseline assessment of a newly-installed segment of pipe covered by this subpart within ten (10) years from the date the pipe is installed. An operator may conduct a pressure test in accordance with paragraph (a)(2) of this section, to satisfy the requirement for a baseline

assessment.

Williams failed to complete a baseline assessment within 10 years of installing pipeline segments North Seattle Lateral and Crossover 2428, as required. The North Seattle Lateral was installed on July 31, 2012. During the inspection, PHMSA observed that the North Seattle Lateral had not had a baseline assessment completed on the pipeline segment until March 23, 2023, which is greater than within 10 years of installation. Additionally, PHMSA observed that Crossover 2482 was installed on July 31, 2012 but had not had a baseline assessment completed on the segment until December 6, 2022. This was also greater than within 10 years of installation.

Therefore, Williams failed to complete a baseline assessment within 10 years of installation as required per § 192.921(g).

Under 49 U.S.C. § 60122 and 49 CFR § 190.223, you are subject to a civil penalty not to exceed \$266,015 per violation per day the violation persists, up to a maximum of \$2,660,135 for a related series of violations. For violation occurring on or after January 6, 2023 and before December 28, 2023, the maximum penalty may not exceed \$257,664 per violation per day the violation persists, up to a maximum of \$2,576,627 for a related series of violations. For violation occurring on or after March 21, 2022 and before January 6, 2023, the maximum penalty may not exceed \$239,142 per violation per day the violation persists, up to a maximum of \$2,391,142 for a related series of violations. For violation occurring on or after May 3, 2021 and before March 21, 2022, the maximum penalty may not exceed \$225,134 per violation per day the violation persists, up to a maximum of \$2,251,334 for a related series of violations. For violation occurring on or after January 11, 2021 and before May 3, 2021, the maximum penalty may not 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.

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 identified in this letter. Failure to do so will result in Williams 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-5-2024-019-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,

Dustin Hubbard
Director, Western Region, Office of Pipeline Safety
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 G. Ogirima, J. Luo (#23-264925)
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