



U.S. Department  
of Transportation

**Pipeline and Hazardous  
Materials Safety Administration**

400 Seventh Street, S.W.  
Washington, D.C. 20590

SEP - 1 2006

Wesley Christensen  
Vice President  
ONEOK NGL Pipeline, L.P.  
P.O. Box 29  
Medford, Oklahoma 73759-0029

RE: CPF No. 3-2005-5034

Dear Mr. Christensen:

Enclosed is the Final Order for the above-referenced case. It makes findings of violation and assesses a civil penalty of \$7,500. The penalty payment terms are set forth in the Final Order. This enforcement action closes automatically upon payment. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

James Reynolds  
Pipeline Compliance Registry  
Office of Pipeline Safety

Enclosure

cc: Ivan A. Huntoon  
Director, Central Region, PHP-300

CERTIFIED MAIL- RETURN RECEIPT REQUESTED

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

<b>In the Matter of</b>	)	
	)	
<b>ONEOK NGL Pipeline, L.P.,</b>	)	<b>CPF No. 3-2005-5034</b>
	)	
<b>Respondent</b>	)	

**FINAL ORDER**

On May 23-25 and June 27- July 1, 2005, pursuant to 49 U.S.C. § 60117, representatives of the Pipeline and Hazardous Materials Safety Administration, Office of Pipeline Safety (OPS) reviewed Respondent's operator qualification (OQ) plan and operation and maintenance (O&M) manual at its facility in Conway, Kansas. As a result of the inspection, the Director, Central Region, OPS, issued to Respondent, by letter dated September 16, 2005, a Notice of Probable Violation and Proposed Civil Penalty (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent committed violations of 49 C.F.R. Part 195 and proposed assessing a civil penalty of \$7,500 for the alleged violations.

Respondent failed to respond to the Notice within 30 days after it received the Notice. Respondent responded to the Notice by letter dated October 21, 2005 (Response). Respondent did not contest the allegations of violation and informed OPS that it intended to pay the \$7,500 civil penalty proposed in the Notice.

**FINDINGS OF VIOLATION**

Respondent did not contest the alleged violations in the Notice. Accordingly, I find the Respondent violated the following sections of 49 C.F.R. Part 195, as more fully described in the Notice:

49 C.F.R. § 195.402(a) (Notice Item 1(a)) – failing to keep a manual at the Conway facility where operations and maintenance activities occur; and

49 C.F.R. § 195.402(a) (Notice Item 1(b)) – failing to demonstrate that annual reviews of the O&M manual for effectiveness were conducted during the 2001-2005 time period.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

### **ASSESSMENT OF PENALTY**

Under 49 U.S.C. § 60122, Respondent is subject to a civil penalty not to exceed \$100,000 per violation for each day of the violation up to a maximum of \$1,000,000 for any related series of violations.

49 U.S.C. § 60122 and 49 C.F.R. § 190.225 require that, in determining the amount of the civil penalty, I consider the following criteria: nature, circumstances, and gravity of the violation, degree of Respondent's culpability, history of Respondent's prior offenses, Respondent's ability to pay the penalty, good faith by Respondent in attempting to achieve compliance, the effect on Respondent's ability to continue in business, and such other matters as justice may require.

With respect to Item 1(a), the Notice proposed a civil penalty of \$2,500 for Respondent's failure to keep an O&M manual at the Conway facility. Keeping a copy of the O&M manual at all locations where operation and maintenance occurs is important for the safe and consistent operation of the system. Respondent provided no information that would warrant a reduction in the civil penalty amount proposed in the Notice for this violation. Accordingly, I assess Respondent a civil penalty of \$2,500 for violating 49 C.F.R. §195.402(a).

With respect to Item 1(b), the Notice proposed a civil penalty of \$5,000 for Respondent's failure to annually review and update the O&M procedures during the 2001-2005 time period. Periodic reviews to ensuring the effectiveness of the O&M procedures is important for the safe operation of a pipeline facility. Respondent provided no information that would warrant a reduction in the civil penalty amount proposed in the Notice for this violation. Accordingly, I assess Respondent a civil penalty of \$5,000 for violating 49 C.F.R. § 195.402(a).


Accordingly, having reviewed the record and considered the assessment criteria, I assess Respondent a total civil penalty of \$7,500. Respondent has the ability to pay this penalty without adversely affecting its ability to continue in business.

Payment of the civil penalty must be made within 20 days of service. Payment may be made by sending a certified check or money order (containing the CPF Number for this case) payable to "U.S. Department of Transportation" to the Federal Aviation Administration, Mike Monroney Aeronautical Center, Financial Operations Division (AMZ-300), P.O. Box 25082, Oklahoma City, OK 73125.

Federal regulations (49 C.F.R. § 89.21(b)(3)) also permit this payment to be made by wire transfer, through the Federal Reserve Communications System (Fedwire), to the account of the U.S. Treasury. Detailed instructions are contained in the enclosure. Questions concerning wire transfers should be directed to: Financial Operations Division (AMZ-300), Federal Aviation Administration, Mike Monroney Aeronautical Center, P.O. Box 25082, Oklahoma City, OK 73125; (405) 954-8893.

Failure to pay the \$7,500 civil penalty will result in accrual of interest at the current annual rate in accordance with 31 U.S.C. § 3717, 31 C.F.R. § 901.9 and 49 C.F.R. § 89.23. Pursuant to those same authorities, a late penalty charge of six percent (6%) per annum will be charged if payment is not made within 110 days of service. Furthermore, failure to pay the civil penalty may result in referral of the matter to the Attorney General for appropriate action in a United States District Court.

Under 49 C.F.R. § 190.215, Respondent has a right to submit a petition for reconsideration of this Final Order. Should Respondent elect to do so, the petition must be received within 20 days of Respondent's receipt of this Final Order and must contain a brief statement of the issue(s). The filing of a petition automatically stays the payment of any civil penalty assessed. However if Respondent submits payment for the civil penalty, the Final Order becomes the final administrative decision and the right to petition for reconsideration is waived. The terms and conditions of this Final Order are effective on receipt.



*for*  
Theodore L. Willke  
Acting Associate Administrator  
for Pipeline Safety

SEP - 1 2006

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Date Issued