



RAILROAD COMMISSION OF TEXAS

HEARINGS DIVISION

OIL & GAS DOCKET NO. 01-0301710

THE APPLICATION OF WILLIAMS MLP OPERATING LLC FOR A SOUR GAS PIPELINE PURSUANT TO STATEWIDE RULE 106, BURNS DILLEY LATERAL/DILLEY RICH GGS, EAGLEVILLE (EAGLE FORD-1) FIELD, LA SALLE COUNTY, TEXAS

REVIEWED BY: Paul Dubois – Technical Examiner

REVIEW DATE: October 12, 2016

CONFERENCE DATE: October 25, 2016

EXAMINERS' REPORT AND RECOMMENDATION

STATEMENT OF THE CASE

Williams MLP Operating, LLC ("Williams") seeks Commission authority pursuant to Statewide Rule 106 to construct a sour gas pipeline facility serving the Eagleville (Eagle Ford-1) Field in a rural and sparsely populated portion of La Salle County, Texas. The pipeline will be about 5.7 miles in length and constructed to meet the Commission's standards for sour gas service. The application has been reviewed and approved by the Oil & Gas Division (District Hydrogen Sulfide ["H₂S"] Coordinator in the Field Operations Section) and by the Oversight and Safety Division. The application meets the requirements of Statewide Rule 106 (and by reference Statewide Rules 36 and 70). The Examiners recommend the application be approved and the permit granted.

FINDINGS OF FACT

1. Notice of the application was published in the *Frio-Nueces Current*, a newspaper of general circulation in La Salle County, Texas, on August 11, August 18, August 25, September 1 and September 8, 2016. The application was filed with the La Salle County Clerk on September 14, 2016.
2. The proposed pipeline is an extension of an existing sour gas pipeline facility (T-4 Permit No. 08236).

3. The proposed 8-inch pipeline will be 5.7 miles (30,115 feet) in length and located in La Salle County, Texas.
4. The pipeline will carry approximately 31,000 mcf/day of gas with an H₂S concentration of 10,000 parts per million ("ppm").
 - a. The 100 ppm radius of exposure ("ROE") is 700 feet and the 500 ppm ROE is 145 feet.
 - b. The 100 ppm ROE and the 500 ppm ROE include three public impact points: Farm to market road 469 is located within the 500ppm ROE and two structures are within the 100 ppm ROE.
5. The pipeline will be constructed in a rural sparsely populated area and will connect into an existing pipeline system.
6. The maximum operating pressure of the pipeline will be 720 psig. The system will be equipped with low/high pressure emergency shutdown systems along the line and all pipeline and compressor station operations will be remotely monitored 24 hours per day via a SCADA system.
7. The pipeline will be constructed of API 5L X52 steel pipe, which has been accepted for sour service. Williams MLP will utilize proper NACE and API recommended materials for sour gas service as well as maintain a chemical treating program and cathodic protection system to help prevent corrosion of the pipe. The pipeline will be buried a minimum 4 feet and will be properly marked with H₂S and operator identification signs along the right of way and road crossings. Access will also provide public outreach to educate the public on H₂S safety.
8. The Contingency Plan and H-9 Form comply with Statewide Rule 36.
9. The materials to be used in and methods of construction and operation of the facility comply with the applicable rules and safety standards adopted by the Commission.
10. The Pipeline Safety Division has reviewed the application and has received the T-4 (Application for Permit to Operate a Pipeline in Texas) and all required documentation to process an initial or amended permit for the requested pipeline .
11. The Field Operations Section has reviewed the Form H-9 (Certificate of Compliance Statewide Rule 36), contingency plan, and supporting data for the subject sour gas pipeline and determined that the proposal complies with the applicable provisions of SWR 36 regarding materials and operation.

CONCLUSIONS OF LAW

1. Resolution of the subject application is a matter committed to the jurisdiction of the Railroad Commission of Texas. Tex. Nat. Res. Code § 81.051.
2. All notice requirements have been satisfied. 16 Tex. Admin. Code § 3.106.
3. The application meets the requirements of Statewide Rules 36, 70, and 106. 16 Tex. Admin. Code §§ 3.36, 3.70 and 3.106.

EXAMINERS' RECOMMENDATION

Based on the above findings of fact and conclusions of law, the Examiner recommends the Commission enter an order granting the application of Williams MLP Operating LLC for authority pursuant to Statewide Rule 106 to construct the subject sour gas pipeline facility.

Respectfully submitted,



Paul Dubois
Technical Examiner