

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;  
Suedeem G. Kelly, Marc Spitzer,  
Philip D. Moeller, and Jon Wellinghoff.

Transcontinental Gas Pipe Line Corporation

Docket No. IN89-1-004

ORDER GRANTING REQUEST FOR LIMITED WAIVER  
OF STIPULATION AND CONSENT AGREEMENT

(Issued August 24, 2006)

1. The Commission grants the request of Transcontinental Gas Pipe Line Corporation (Transco) for a limited waiver of a provision of a 1991 Stipulation and Consent Agreement<sup>1</sup> between Transco and the Enforcement Section, Office of General Counsel, Federal Energy Regulatory Commission (Enforcement).<sup>2</sup>
2. In a March 24, 2006 filing, Transco requests a limited waiver of Part IV, Paragraph I of the Consent Agreement<sup>3</sup> in which Transco agreed that no officers, directors, or employees of Transco's marketing affiliate<sup>4</sup> would maintain any office, equipment, or facility within any building in which Transco maintains any office, equipment, or facility.

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<sup>1</sup> *Transcontinental Gas Pipe Line Corp.*, 55 FERC ¶ 61,318 (1991) (1991 Consent Agreement).

<sup>2</sup> Following changes at the Commission, the Enforcement Section is now the Investigations Division of the Office of Enforcement.

<sup>3</sup> *Transco*, 55 FERC at 61,944.

<sup>4</sup> At the time of the 1991 Consent Agreement, Transco's natural gas marketing affiliate was Transco Energy Marketing Company (TEMCO). After a corporate reorganization, merger, and several name changes, TEMCO has become part of Williams Power Company, Inc. (Williams Power), which is a Transco Marketing/Energy Affiliate.

3. According to Transco, the requested limited waiver would allow Transco's parent company, The Williams Companies (TWC), to implement a "strategic integrated IT business continuity/disaster recovery plan" (IT continuity/recovery plan) under which various TWC business segments including Transco and Williams Power would maintain backup IT equipment at TWC's existing "data centers" in Salt Lake City, Houston, and Tulsa for use in the event of a disaster. Transco states that under TWC's IT continuity/recovery plan, Transco-owned backup IT equipment would be maintained in the same building in Tulsa as Williams Power's offices, and Williams Power-owned backup IT equipment would be maintained in the same building in Houston as Transco's offices.

4. Transco states that the backup IT equipment will be updated with current data on a nightly basis but will be used only in the event of an actual disaster or a test of the IT continuity/recovery plan. Transco affirms that, regarding the Transco-owned backup IT equipment maintained in Tulsa, Williams Power data will not be maintained on it, Williams Power will not have access to it, and the IT security provision prohibiting Williams Power's access to it will be strictly enforced. Transco likewise affirms that, regarding the Williams Power-owned backup IT equipment maintained in Houston, Transco data will not be maintained on it, Transco will not have access to it, and the IT security provision prohibiting Transco's access to it will be strictly enforced. Transco avers that the requested limited waiver, if approved, will not circumvent Transco's adherence to any Commission rule or regulation and will not affect the remaining terms of the 1991 Consent Agreement or Transco's 2003 FERC Enforcement Settlement.<sup>5</sup>

5. Transco explains that maintaining backup IT equipment of Transco and Williams Power in TWC's existing data centers is desirable because the data centers have available System Administrator and IT support and adequate amounts of tape drive capacity; the data centers are centrally located and accessible; and the data centers could accommodate additional equipment and personnel.

6. Transco states that the need for an effective IT continuity/recovery plan was made clear after Hurricanes Rita and Katrina in August 2005 and by a water main rupture in downtown Tulsa in December 2005 that flooded hundreds of office buildings, including TWC's headquarters building.

### **Discussion**

7. The Commission understands the vital importance of effective IT business continuity and disaster recovery measures. The Commission believes the restrictions described by Transco as applying to the requested limited waiver with respect to IT and

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<sup>5</sup> *Transcontinental Gas Pipe Line Corp.*, 102 FERC ¶ 61,302 (2003).

data access address the concerns underlying the provision in the 1991 Consent Agreement separating Transco's offices, equipment, and facilities from those of its marketing affiliate. Therefore, the Commission grants Transco's request for a limited waiver.

The Commission orders:

Part IV, Paragraph I of the 1991 Consent Agreement is waived on the limited basis described in this order.

By the Commission.

( S E A L )

Magalie R. Salas,  
Secretary.