



U.S. Department
Of Transportation
**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.989.2171

WARNING LETTER

OVERNIGHT EXPRESS MAIL

July 13, 2012

Thomas Kukosky, Director of Operations
PEI Power Corporation
170 Power Blvd
Archbald, PA 18403

CPF 1-2012-0003W

Dear Mr. Kukosky:

On May 2-4 2011, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected the plastic transmission landfill pipelines, owned by PEI Power Corporation (PEI) and operated by UGI Energy Services (UGI), in Archbald, PA.

As a result of the inspection, it appears that you have committed a probable violation of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violation is:

1. **§192.603 General provisions**
 - (b) **Each operator shall keep records necessary to administer the procedures established under §192.605.**

PEI did not keep records of an annual review of its Operation and Maintenance (O&M) manual for the year 2011. These records are necessary to administer the procedures established under §192.605. In accordance with §192.605(a), PEI must review and update its O&M at intervals not exceeding 15 months, but at least once each calendar year. A representative from UGI could not produce any records showing that an annual review of the O&M manual had been completed in 2011. No records of annual reviews were presented during the inspection. A representative from UGI was called two days after the inspection and still had not found any record of an annual review or the O&M manual.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any related series of violations. 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 PEI Power Corporation being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, please submit all correspondence in this matter to Byron Coy, PE, Director, PHMSA Eastern Region, 820 Bear Tavern Road, Suite 103, W. Trenton, NJ 08628. Please refer to **CPF 1-2012-0003W** on each document you submit, and please whenever possible provide a signed PDF copy in electronic format. 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,

Byron Coy, PE
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration