

**OCT 18 2010**

Mr. Jack Fusco  
President and CEO  
CPN Pipeline Company  
717 Texas Avenue, Suite 1000  
Houston, TX 77002

**Re: CPF No. 5-2007-1011M**

Dear Mr. Fusco:

Enclosed please find the Order Directing Amendment issued in the above-referenced case. It makes findings of inadequate procedures and finds that CPN Pipeline Company has addressed the inadequacies in its procedures that were cited in the Notice of Amendment. This enforcement action is now closed. Service of the Order Directing Amendment by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese  
Associate Administrator  
for Pipeline Safety

Enclosure

cc: Mr. Chris Hoidal, Director, Western Region, PHMSA

Mr. Scott Vickers  
Compliance Manager  
CPN Pipeline Company  
60 River Road  
Rio Vista, CA 94571

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED [7005 1160 0001 0041 0299]**

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

	)	
<b>In the Matter of</b>	)	
	)	
<b>CPN Pipeline Company,</b>	)	<b>CPF No. 5-2007-1011M</b>
	)	
<b>Respondent.</b>	)	
	)	

**ORDER DIRECTING AMENDMENT**

On January 30-February 1 and February 13-14, 2007, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the integrity management program of CPN Pipeline Company (CPN or Respondent) in Rio Vista, California. CPN, a subsidiary of Calpine Corporation, operates approximately 250 miles of natural gas pipelines, primarily in California.

As a result of the inspection, the Director, Western Region, OPS (Director), issued to Respondent, by letter dated July 9, 2007, a Notice of Amendment (Notice). The Notice alleged inadequacies in Respondent’s integrity management program and proposed, in accordance with 49 C.F.R. § 190.237, that Respondent amend its integrity management procedures.

CPN responded to the Notice by letter dated August 3, 2007. Respondent described the steps that it would take to correct the inadequacies outlined in the Notice, requested an extension of the deadline to complete the amendments, and reserved the right to a hearing.

In accordance with 49 C.F.R. § 190.211, a hearing was held via telephone conference on April 10, 2008, with an attorney from the Office of Chief Counsel, PHMSA, presiding. Respondent was represented by counsel during the hearing. The hearing addressed this enforcement action as well as a second enforcement action (CPF No. 5-2007-1006) involving allegations of violation that arose from the same inspection.<sup>1</sup>

In its Response and at the hearing, the company did not contest the allegations that its procedures were inadequate. Accordingly, based on a review of all the evidence, I find that Respondent’s procedures were inadequate as described in the Notice.

---

<sup>1</sup> The second case has been resolved. See *In the Matter of CPN Pipeline Co.*, Final Order, CPF No. 5-2007-1006 (Dec. 16, 2009).

On April 22, 2008, CPN submitted copies of its amended procedures, which the Director has reviewed. Accordingly, based on the results of such review, I find that Respondent has corrected the identified inadequacies.

This action is now closed. The terms and conditions of this Order Directing Amendment are effective upon service in accordance with 49 C.F.R. § 190.5.

---

Jeffrey D. Wiese  
Associate Administrator  
for Pipeline Safety

---

Date Issued