



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

12300 W. Dakota Ave., Suite 110
Lakewood, CO 80228

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 24, 2008

Mr. Brian Habersack
Vice President, Operations
California Gas Gathering, Inc.
2981 Gold Canal Drive
Rancho Cordova, CA 95670

CPF 5-2008-0018M

Dear Mr. Habersack:

From March 25 to 27, 2008 and April 22, 2008, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected your pipeline system operations and maintenance procedures and records in Rancho Cordova, and conducted a field inspection of your pipeline facilities near Fresno, California.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within California Gas Gathering, Inc.'s plans or procedures, as described below:

1. § 192.605 Procedural manual for operations, maintenance, and emergencies.

(b) Maintenance and normal operations. The manual required by paragraph (a) of this section must include procedures for the following, if applicable, to provide safety during maintenance and operations.

(8) Periodically reviewing the work done by operator personnel to determine the effectiveness, and adequacy of the procedures used in normal operation and maintenance and modifying the procedures when deficiencies are found.

California Gas Gathering, Inc.'s procedural manual did not specify the requirement to modify the procedures when deficiencies are found.

2. § 192.603 General provisions.

(b) Each operator shall keep records necessary to administer the procedures established under § 192.605.

California Gas Gathering, Inc.'s procedural manual did not specify the requirements to keep records to administer procedures 192.605 (b)(8), and 192.605 (c)(4).

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. 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). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within 30 days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

In correspondence concerning this matter, please refer to **CPF 5-2008-0018M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,



Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 P. Nguyen (#121141)

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*