



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

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

**NOTICE OF PROBABLE VIOLATION
and
PROPOSED COMPLIANCE ORDER**

OVERNIGHT EXPRESS DELIVERY

March 17, 2015

Mr. Robert Steidel
Director, City of Richmond
Department of Public Utilities
730 East Broad Street
Richmond, VA 23219

CPF 1-2015-0008

Dear Robert Steidel:

Between June 3 and 6, 2013, an inspector from the Virginia State Corporation Commission (VA SCC) acting as Agent for the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code inspected the City of Richmond's (City) pipeline facilities in Richmond, Virginia.

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. §192.465 External corrosion control: Monitoring.

(a) Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of §192.463. However, if tests at those intervals are impractical for separately protected short sections of mains or transmission lines, not in excess of 100 feet (30 meters), or separately protected service lines, these pipelines may be surveyed on a sampling basis. At least 10 percent of these protected structures, distributed over the entire system must be surveyed each calendar year, with a different 10 percent checked each subsequent year, so that the entire system is tested in each 10-year period.

The City failed on two occasions to test each pipeline that is under cathodic protection at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection

meets the requirements of §192.463, or to survey these lines on a sampling basis if tests at those intervals are impractical for separately protected short sections of mains or transmission lines, not in excess of 100 feet (30 meters), or separately protected service lines.

City O&M procedure titled "Corrosion Control Monitoring" revised 10/15/2012 paragraph IV.C.1 requires corrosion monitoring of separately protected short sections of pipe, and isolated services using a 10% sampling basis. During the inspection, the VA SCC reviewed the City's 10% sampling list and identified two isolated short sections located at Bethlehem Road and 2217 Nortonia Road that were not on the list and had never been monitored for cathodic protection. The finding was documented in the VA SCC NOI to the City dated 7/2/2013. In the City response dated 7/31/2013, the City acknowledged that the one of the two isolated sections were not on their 10% sampling list. The City did not supply information that the short section located at Bethlehem Road had ever been monitored on a 10% sampling basis.

Therefore, the City failed on two occasions to monitor short sections of piping on a 10 percent sampling basis per §192.465(a) requirements, to determine whether the cathodic protection meets the cathodic protection criteria requirements of §192.463(a).

After the inspection, Bethlehem Road was added to the 10% monitor list, and the short section of piping at 2217 Nortonia Road was replaced on 08.08.13 with plastic.

This violation is a repeat violation of CPF 1-2013-0003 item 1, and CPF 1-2011-0001 item 3.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a related series of violations.

We have reviewed the circumstances and supporting documents involved in this case, and have decided not to propose a civil penalty assessment at this time.

With respect to item 1 pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration proposes to issue a Compliance Order to The City of Richmond, Virginia. Please refer to the *Proposed Compliance Order*, which is enclosed and made a part of this Notice.

Response to this Notice

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.

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 1-2015-0008** on each document you submit and please, whenever possible, provide a signed PDF copy in electronic format. Smaller files may be emailed to Byron.Coy@dot.gov. Larger files should be sent to the Eastern Region Office on a CD or flash drive, accompanied by the original signed paper copy.

Additionally, if you choose to respond to this (or any other case), please ensure that any response letter pertains solely to one CPF case number.

Sincerely,

A handwritten signature in blue ink that reads "Byron Coy". The signature is fluid and cursive, with the first name "Byron" and last name "Coy" clearly legible.

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

Enclosures: *Proposed Compliance Order*
Response Options for Pipeline Operators in Compliance Proceedings

Cc:
Mr. Massoud Tahamtani, VA SCC
Mr. Jim Fisher, VA SCC

PROPOSED COMPLIANCE ORDER

Pursuant to 49 United States Code § 60118, the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to issue to The City of Richmond Virginia (City) a Compliance Order incorporating the following remedial requirements to ensure the compliance of the City with the pipeline safety regulations:

1. In regard to Item Number 1 of the Notice, the City must develop a plan and then conduct a field survey to assure all isolated segments are accounted for in their cathodic protection program. After accounting for all isolated segments, the City must also then complete any identified CP remediation.
2. The City shall assure all isolated segments are accounted for in their cathodic protection program within 150 days after receipt of the Final Order.
3. The City shall complete any needed cathodic protection remediation work within one (1) year after receipt of the Final Order.
4. It is requested (not mandated) that the City maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Byron Coy, PE, Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions and other changes to pipeline infrastructure.