

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

July 2, 2014

Ms. Cathie Banta
Property Manager
2700 SW Archer Road
Gainesville, FL 32608

CPF 2-2014-0002W

Dear Ms. Banta:

On May 22, 2014, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Southern Region, Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code, inspected the Country Village Apartments master meter and downstream piping and facilities at 2700 SW Archer Road, Gainesville, Florida.

As a result of the inspection, it appears that Country Village Apartments has committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are as follows:

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.**

Country Village Apartments did not 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 met the requirements of §192.463. Moreover, Country Village Apartments did not provide evidence to show that tests at those intervals are impractical for separately protected short sections of its pipeline system or evidence that its pipeline system was being surveyed on a sampling basis.

A review of three years of monitoring records (2012 – 2014) showed that Country Village Apartments did not test its pipeline system’s cathodic protection at buildings A, B, E, and F in the calendar years 2013 and 2014. Moreover, the evidence strongly indicates that Country Village Apartments knew of the requirement to take pipe-to-soil (p/s) readings because it did so in 2012 and that it just failed to take the readings in 2013 and 2014.

2. §192.465 External corrosion control: Monitoring

... (d) Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring.

Country Village Apartments did not take prompt remedial action to correct deficiencies indicated by the external corrosion control monitoring of its pipeline system.

A review of Country Village Apartments’ corrosion control monitoring records for three years (2012 - 2014) revealed low¹ p/s readings. Table 1 includes the p/s readings taken on the dates shown at two locations along the Country Village Apartments’ pipeline system. Both readings shown in the table fail to meet the criteria for cathodic protection contained in the federal pipeline safety regulations. Yet, at the time of the PHMSA inspection, Country Village Apartments had not taken any remedial actions to correct these deficiencies.

	Feb 2, 2012	2013	2014
Building A	- 640 <i>mV</i>	No reading taken	No reading taken
Building B	- 530 <i>mV</i>	No reading taken	No reading taken

Table 1

3. §192.625 Odorization of gas.

... (f) To assure the proper concentration of odorant in accordance with this section, each operator must conduct periodic sampling of combustible gases using an instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable. Operators of master meter systems may comply with this requirement by-

- (1) Receiving written verification from their gas source that the gas has the proper concentration of odorant; and**
- (2) Conducting periodic "sniff" tests at the extremities of the system to confirm that the gas contains odorant.**

County Village Apartments did not present, to the PHMSA inspector, records to demonstrate that it had assured the proper concentration of odorant in its pipeline system by receiving written verification from its gas source that the gas has the proper concentration of odorant and by conducting periodic "sniff" tests at the extremities of the

¹ The criteria for cathodic protection are contained in 49 CFR Part 192, Appendix D. The criteria being referenced in this letter is negative (cathodic) voltage of at least 850*mV* with reference to a saturated copper-copper sulfate half-cell. Accordingly, a “low” p/s reading is a reading less negative than 850*mV*.

system to confirm that the gas contains odorant.

4. §192.721 Distribution systems: Patrolling.

(a) The frequency of patrolling mains must be determined by the severity of the conditions which could cause failure or leakage, and the consequent hazards to public safety.

(b) Mains in places or on structures where anticipated physical movement or external loading could cause failure or leakage must be patrolled -

... (2) Outside business districts, at intervals not exceeding 7 1/2 months, but at least twice each calendar year.

County Village Apartments did not present, to the PHMSA inspector, records to show it patrolled its distribution system in the residential area at intervals not exceeding 7½ months, but at least twice each calendar year.

5. §192.747 Valve maintenance: Distribution systems.

(a) Each valve, the use of which may be necessary for the safe operation of a distribution system, must be checked and serviced at intervals not exceeding 15 months, but at least once each calendar year.

(b) Each operator must take prompt remedial action to correct any valve found inoperable, unless the operator designates an alternative valve.

County Village Apartments did not present, to the PHMSA inspector, records to demonstrate that it had checked and serviced its shut off (or key valve) which may be necessary for the safe operation of its distribution system at intervals not exceeding 15 months, but at least once each calendar year.

6. §192.1015 What must a master meter or small liquefied petroleum gas (LPG) operator do to implement this subpart?

(a) General. No later than August 2, 2011 the operator of a master meter system or a small LPG operator must develop and implement an IM program that includes a written IM plan as specified in paragraph (b) of this section. The IM program for these pipelines should reflect the relative simplicity of these types of pipelines.

County Village Apartments did not present, to the PHMSA inspector, records to demonstrate that it had developed and implemented an Integrity Management program.

Under 49 United States Code, § 60122, Country Village Apartments is 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 conduct additional enforcement action or penalty assessment proceedings at this time. We advise you to correct the items identified in this letter. Failure to do so will result in the Country Village Apartments being subject to additional enforcement action.

No reply to this letter is required. If you choose to reply, in your correspondence please refer to **CPF 2-2014-0002W**. 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,

Wayne T. Lemoi
Director, Office of Pipeline Safety
PHMSA Southern Region