U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

233 Peachtree Street Ste. 600
Atlanta, GA 30303

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 14, 2014

Mr. John Dean
President
Pensacola Village Apartments
500 East Fairfield Drive
Pensacola, FL 32503

CPF 2-2014-0017W

Dear Mr. Dean:

On June 3, 2014, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Southern Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, inspected the Pensacola Village Apartments' natural gas master meter pipeline system and records at the Pensacola Village Apartments in Pensacola, Florida.

As a result of our investigation, it appears that the Pensacola 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. **§192.481 Atmospheric corrosion control: Monitoring.**
   (a) Each operator must inspect each pipeline or portion of pipeline that is exposed to atmosphere for evidence of atmospheric corrosion, as follows:

If the pipeline is located:	Then the frequency of inspection is:
Onshore	**At least once every 3 calendar years, but with intervals not exceeding 39 months**
Offshore	**At least once each calendar year, but with intervals not exceeding 15 months**

Pensacola Village Apartments did not present records to demonstrate that it had inspected its onshore pipeline exposed to the atmosphere for evidence of atmospheric corrosion at least once every 3 calendar years, but with intervals not exceeding 39 months.

2. **§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 meters 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" test at the extremities of the system to confirm that the gas contains odorant.

   Pensacola Village Apartments did not present 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 system to confirm that the gas contains odorant.

3. **§192.739 Pressure limiting and regulating stations: Inspection and testing.**
(a) Each pressure limiting station, relief device (except rupture discs), and Pressure regulating station and its equipment must be subjected at intervals not exceeding 15 months, but at least once each calendar year, to inspections and tests to determine that it is-
(1) In good mechanical condition;
(2) Adequate from the standpoint of capacity and reliability of operation for the service in which it is employed;
(3) Except as provided in paragraph (b) of this section, set to control or relieve at the correct pressure consistent with the pressure limits of §192.201(a); and
(4) Properly installed and protected from dirt, liquids, or other conditions that might prevent proper operation.

   Pensacola Village Apartments did not present records to demonstrate that it inspected and tested the pressure regulating device at intervals not exceeding 15 months, but at least once each calendar year.

4. **§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.

   Pensacola Village Apartments did not present records to demonstrate that it checked and serviced each valve necessary for the safe operation of its distribution system at intervals not exceeding 15 months, but at least once each calendar year.

5. **§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.

Pensacola Village Apartments did not present records to demonstrate that it had developed and implemented an IM program.

Under 49 United States Code, §60122, Pensacola 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 Pensacola 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 2-2014-0017W**. 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