

NOTICE OF AMENDMENT

VIA UPS GROUND – 1Z WR2 588 03 9347 6829

May 17, 2011

Mr. Alexander Gajdos
Principal Partner
Golden Valley Electric Association, Inc.
758 Illinois Street
P.O. Box 71249
Fairbanks, AK 99707

CPF 5-2011-6006M

Dear Mr. Gajdos:

On April 25, 2011, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected Golden Valley Electric Association, Inc.'s (GVEA) procedures for Public Awareness in Fairbanks, Alaska.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within GVEA's plans or procedures, as described below:

- 1. §195.440 Public awareness**
(d) The operator's program must specifically include provisions to educate the public, appropriate government organizations, and persons engaged in excavation related activities on: (1) Use of a one-call notification system prior to excavation and other damage prevention activities;

GVEA's Public Awareness program incorrectly states, "There is no One-Call Notification System in the Fairbanks and North Pole areas." The program must be amended to indicate that a One-Call System is currently in place. In addition, the operator must become a member of the local One-Call System or provide justification in its program or procedural manual as to why compliance with all or certain

provisions of the recommended practice is not practicable and not necessary for safety.

2. §195.440 Public awareness

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

GVEA's Public Awareness Program must reference their GVEA Pipeline Oil Spill Plan Distribution List, or include it in the PAP.

3. §195.440 Public awareness

(c) The operator must follow the general program recommendations, including baseline and supplemental requirements of API RP 1162, unless the operator provides justification in its program or procedural manual as to why compliance with all or certain provisions of the recommended practice is not practicable and not necessary for safety.

GVEA must amend their program to include documenting ROW surveillance observations and calls to the control center and evaluating program effectiveness, as indicated in API 1162.

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 90 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.

It is requested (not mandated) that GVEA Pipeline maintain documentation of the safety improvement costs associated with fulfilling this Notice of Amendment (preparation/revision of plans, procedures) and submit the total to our office at 188 W. Northern Lights Blvd., Suite 520, Anchorage, Alaska 99503. In correspondence concerning this matter, please refer to **CPF 5-2011-6006M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

Dennis Hinnah
Deputy Director, Western Region
Pipeline and Hazardous Materials Safety Administration

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

cc: PHP-60 Compliance Registry
PHP-500 B. Flanders (#134343)