

Mr. Randolph Windham
Cohasset Mobile Home Park
166 Cohasset, Suite #14
Chico, CA 95926

Re: CPF No. 54001

Dear Mr. Windham:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes findings of violation, requires certain corrective action, and assesses a civil penalty in the amount of \$500. The penalty payment terms are set forth in the Final Order. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

Gwendolyn M. Hill
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590

_____)	
In the Matter of)	
)	
Cohasset Mobile Home Park,)	CPF No. 54001
)	
Respondent.)	
_____)	

FINAL ORDER

On June 24, 1993, pursuant to 49 U.S.C. § 60117, a representative of the Office of Pipeline Safety (OPS) conducted an inspection of your records and facility near Chico, California. As a result of the inspection, the Director, Western Region, OPS, issued to Respondent, by letter dated February 9, 1994, a Notice of Probable Violation, Proposed Civil Penalty, and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent committed a violation of 49 C.F.R. § 192.453, and proposed assessing a civil penalty of \$500 for the alleged violation.

Respondent responded to the Notice by letter dated February 9, 1994 (Response). Respondent did not contest the allegations of violation. Respondent did not request a hearing and therefore has waived its right to one.

FINDINGS OF VIOLATION

Respondent did not contest alleged violations in the Notice. Accordingly, I find that Respondent violated the following sections of 49 C.F.R. Parts 192 and 199, as more fully described in the Notice:

49 C.F.R. § 192.453 -- failing to establish corrosion control procedures, including those for the design, installation, operation, and maintenance of cathodic protection systems, and failing to have qualified corrosion personnel to implement such procedures, as required by § 192.605(b)(2);

49 C.F.R. § 192.603(b) -- failing to establish a written operating and maintenance plan meeting the requirements of Part 192;

49 CFR § 192.603(b) -- failing to establish a written operating and maintenance plan meeting the requirements of Part 192 and keeping records necessary to administer the plan;

49 CFR § 192.605(d) -- failing to include in its operating and maintenance plan instructions enabling personnel who perform operation and maintenance activities to recognize conditions that potentially may be safety-related conditions that are subject to the reporting requirements of § 191.23 of this subchapter. [The Notice incorrectly identified this item as § 192.605(f)];

49 CFR § 192.615(a) -- failing to establish written procedures to minimize the hazard resulting from a gas pipeline emergency; and

49 CFR § 199.7(a) -- failing to maintain and follow a written anti-drug plan that conforms to the requirements set out in 49 CFR Parts 199 and 40.

Some of the violations addressed in this final order may have also appeared in a previous final order (CPF No. 5081) issued on October 11, 1990. That enforcement case has been closed. The findings of violation noted in this case will be considered as prior offenses in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under Chapter 601. Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is hereby ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operation.

1. Establish written procedures, as required by 49 CFR § 192.453, for implementation of the requirements of Subpart I. These procedures, including those for the design, installation, operation and maintenance of cathodic protection systems, must be carried out by, or under the direction of, a person qualified by experience and training in pipeline corrosion methods.
2. The cathodic protection system must be in compliance with 49 CFR § 192.457, if applicable.
3. Submit a certification to the Regional Director from a corrosion specialist stating that the Cohasset Mobile Home Park is in compliance with 49 CFR § 192.463.

4. Establish and maintain records or maps to show the location of cathodically protected piping, cathodic protection facilities, other than unrecorded galvanic anodes installed before August 1, 1971, and neighboring structures bonded to the cathodic protection system, as required by 49 CFR § 192.491(a).
5. Include in your operating and maintenance manual the following element required by 49 CFR § 192.605:
 - (d) Written instructions for personnel who perform operations and maintenance activities to recognize conditions that potentially may be safety-related conditions that are subject to the reporting requirements of Section 191.23. [The Notice incorrectly identified this item as § 192.605(f).]
6. Include in your emergency manual the following elements required by 49 CFR § 192.615:
 - (a)(4) The availability of personnel, equipment, tools, and materials, as needed at the scene of an emergency.
 - (a)(5) Actions directed toward protecting people first and then property.
7. Train the appropriate operating personnel to assure that they are knowledgeable of the emergency procedures and verify that the training is effective, as required by 49 CFR § 192.615(b)(2).
8. Establish written procedures for the purging of pipelines, as required by 49 CFR § 192.629.
9. Establish written procedures for leakage surveys, as required by 49 CFR § 192.723.
10. Establish written procedures for abandonment or inactivation of facilities, as required by 49 CFR § 192.727.
11. Establish written procedures for the testing and inspection of pressure limiting and regulating stations, as required by §192.747.
12. Establish a written anti-drug plan that conforms to the requirements of Parts 40 and 199.
13. The above items must be accomplished within 90 days following receipt of the Final Order.

14. Submit the required procedures to the Director, Western Region, Office of Pipeline Safety, Research and Special Programs Administration, 555 Zang Street, 2nd Floor, Lakewood, Colorado 80228.

15. The Regional Director may grant an extension of time upon receipt of a written request stating the reasons therefor, for completion of any of the actions required herein.

ASSESSMENT OF PENALTY

Under 49 U.S.C. § 60122, Respondent is subject to a civil penalty not to exceed \$25,000 per violation for each day of the violation up to a maximum of \$500,000 for any related series of violations.

49 U.S.C. § 60122 and 49 C.F.R. § 190.225 require that, in determining the amount of the civil penalty, I consider the following criteria: nature, circumstances, and gravity of the violation, degree of Respondent's culpability, history of Respondent's prior offenses, Respondent's ability to pay the penalty, good faith by Respondent in attempting to achieve compliance, the effect on Respondent's ability to continue in business, and such other matters as justice may require.

The Notice proposed assessing a civil penalty of \$500 for violation number 1. At the time of the inspection, Respondent did not have procedures established, or qualified personnel in place to implement cathodic protection procedures. Respondent was previously directed to install an adequate cathodic protection system in a final order issued on October 11, 1990 in CPF No. 5081. To date, Respondent has not submitted information regarding compliance with this requirement. The violation is considered serious given the importance of ensuring that the pipeline is adequately protected against corrosion, which is a major cause of pipeline failure.

Finally, the fact that Respondent's primary business function is as a mobile home park, and not as a pipeline company, was taken into consideration in determining the amount of the civil penalty. Accordingly, having reviewed the record and considered the assessment criteria, Respondent is assessed a civil penalty in the amount of \$500.

Payment of the civil penalty **must be made within 20 days of service**. Federal regulation (49 C.F.R. § 89.21(b)(3)) require this **payment be made by wire transfer**, through the Federal Reserve Communications System (Fedwire), to the account of the U.S. Treasury. **Detailed instructions are contained in the enclosure**. After completing the wire transfer, send a copy of the **electronic funds transfer receipt** to the **Office of the Chief Counsel** (DCC-1), Research and Special Programs Administration, Room 8405, U.S. Department of Transportation, 400 Seventh St., S.W., Washington, D.C. 20590-0001.

Questions concerning wire transfers should be directed to: **Valeria Dungee**, Federal Aviation Administration, Mike Monroney Aeronautical Center, Financial Operations Division, (AMZ-320), P.O. Box 25770, Oklahoma City, OK 73125; **(405) 954-4719**.

Failure to pay the \$500 civil penalty will result in accrual of interest at the current annual rate in accordance with 31 U.S.C. § 3717, 4 C.F.R. § 102.13 and 49 C.F.R. § 89.23. Pursuant to those same authorities, a late penalty charge of six percent (6%) per annum will be charged if payment is not made within 110 days of service. Furthermore, failure to pay the civil penalty may result in referral of the matter to the Attorney General for appropriate action in an United States District Court.

Under 49 C.F.R. § 190.215, Respondent has a right to petition for reconsideration of this Final Order. The petition must be received within 20 days of Respondent's receipt of this Final Order and must contain a brief statement of the issue(s). The filing of the petition automatically stays the payment of any civil penalty assessed. All other terms of the order, including any required corrective action, shall remain in full effect unless the Associate Administrator, upon request, grants a stay.

The terms and conditions of this Final Order are effective upon receipt.

Richard B. Felder
Associate Administrator
For Pipeline Safety

Date Issued: 05/09/1997