

Mr. Jeet Bindra
President
Chevron Pipeline Company
4000 Executive Parkway
Bishop Ranch 8
San Ramon, CA 94583-0959

RE: CPF No. 55504

Dear Mr. Bindra:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. The Final Order makes a finding of violation, assesses a civil penalty for that violation, acknowledges the completion of certain corrective actions, and acknowledges the amendment of certain procedures. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

I acknowledge receipt of, and accept your check (No. 2000017785) dated December 12, 1995 in the amount of \$600 as payment in full of the civil penalty assessed against Chevron Pipeline Company in the Final Order. The Final Order has been reviewed to determine compliance with the terms therein. Based on the recommendation of the Director, Western Region, this case is now closed and no further enforcement action is contemplated with respect to the matters involved in the case. Thank you for your cooperation in our joint effort to ensure pipeline safety.

Sincerely,

Gwendolyn M. Hill
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

cc: Mr. G. A. McKee
Western Region Operations Manager

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON D.C.

_____)	
In the Matter of)	
)	
Chevron Pipeline Company,)	CPF No. 55504
)	
Respondent.)	
_____)	

FINAL ORDER

On November 22, 1995 the Director, Western Region, Office of Pipeline Safety, issued to Respondent a Notice of Probable Violation, Proposed Civil Penalty, Notice of Amendment, and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. §§ 195.416(c), 195.414(c), and 195.432; proposed a civil penalty in the amount of \$600.00; and proposed a compliance order requiring Respondent to take certain measures to correct the alleged violations. The Notice also proposed, in accordance with 49 C.F.R. § 190.237, that Respondent amend its Operating and Maintenance Procedures to comply with the requirements of 49 C.F.R. §§ 195.303 and 195.310.

Respondent replied to the Notice by letter received December 26, 1995, and letter dated November 7, 1996 (Responses). Respondent did not deny the allegations and submitted a check in the amount of the proposed civil penalty (\$600), waiving further right to respond, and authorizing entry of this Final Order.

FINDINGS OF VIOLATION

Pursuant to 49 C.F.R. § 190.209(a)(1), I hereby find that the Respondent violated the following sections of 49 C.F.R. Part 195 as described more completely in the Notice:

§ 195.416(c) -- Failure to inspect each cathodic protection rectifier at intervals not exceeding 2½ months, but at least six times each calendar year.

§ 195.414(c) -- Failure to electrically inspect all breakout tank areas and buried pumping station piping as to the need for cathodic protection and failure to provide cathodic protection where necessary.

§ 195.432 -- Failure to inspect each breakout tank (including atmospheric and pressure tanks) at intervals not exceeding 15 months, but at least once each calendar year.

These findings will be considered as prior offenses in any subsequent enforcement action against Respondent. I assess the civil penalty in the amount of \$600, already paid by Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order. Respondent described the action it has taken to comply with this item. Respondent installed/repared the cathodic protection systems on all breakout tanks identified in the Notice and has completed the annual inspection. The Director, Western Region, OPS has accepted these measures as adequately fulfilling the requirements of the regulations and no further action is needed with respect to a compliance order.

AMENDMENT OF PROCEDURES

The Notice proposed that Respondent amend its Operating and Maintenance Procedures. Respondent submitted documentation of its amended procedures, which the Director, Western Region, OPS has accepted as adequate to assure the safe operation of Respondent's pipeline system. Accordingly, no need exists to issue an order directing amendment.

\s\ Richard B. Felder

Richard B. Felder
Associate Administrator for Pipeline Safety

Date Issued:____01/07/98__