



U.S. Department
Of Transportation
**Pipeline and
Hazardous Materials
Safety Administration**

820 Bear Tavern Road, Suite 103
West Trenton, NJ 08628
609.989.2171

WARNING LETTER

UPS OVERNIGHT DELIVERY

October 13, 2010

Mr. Christopher L. Beschler
Director Department of Public Utilities
Deputy Chief Administrative Officer
City of Richmond
Department of Public Utilities
400 Jefferson Davis Highway
Richmond, VA 23224

CPF 1-2010-0006W

Dear Mr. Beschler:

Between June 9, 2006 and August 8, 2008, a State Inspector from the Virginia State Corporation Commission (VA SCC) acting as Agent for the Pipeline and Hazardous Materials Safety Administration (PHMSA) pursuant to Chapter 601 of 49 United States Code inspected your pipeline facilities in the City of Richmond (City), Virginia.

As a result of the inspection, it appears that you have committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are:

1. **§ 192.725 Test requirements for reinstating service lines.**
 - (a) **Except as provided in paragraph (b) of this section, each disconnected service line must be tested in the same manner as a new service line, before being reinstated.**

The City's contractor (Henkels & McCoy) failed to test each disconnected service line in the same manner as a new service line, before being reinstated at 12113 Morestead Court in Henrico County.

On June 9, 2006 the VA SCC inspector visited the site location, observed the actions of the crew, took photographs, and brought this issue to the attention of City representatives, and to the City's contractor who then took action to test the disconnected service line in accordance with the code requirement. The VA SCC also followed-up with correspondence to the City.

2. § 192.605 Procedural manual for operations, maintenance, and emergencies.

(a) General. Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.

The City's contractor (Trafford) failed to follow City operations and maintenance (O&M) procedures by not performing tests as required with a combustible gas indicator and oxygen analyzer before entering an excavation at the intersection of Creighton Road and Cedar Fork Road in Henrico County, VA.

On September 25, 2007 the VA SCC inspector visited the site location, observed the actions of the contractor crew, and brought this issue to the attention of a City representative, and to the City's contractor who then took a combustible gas indicator reading in the 6 ft. excavation which indicated no presence of natural gas. The VA SCC followed-up with correspondence to the City regarding this matter.

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.**

The City failed to inspect each pressure limiting station, relief device, and pressure regulating station and its equipment at intervals not exceeding 15 months, but at least once each calendar year at regulator station numbers 73 & 74 as required by the code.

The VA SCC inspector noted this finding during the 2008 inspection of City records. The VA SCC followed-up with correspondence to the City regarding this matter.

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**

The City failed to check and service each valve, the use of which may be necessary for the safe operation of a distribution system, at intervals not exceeding 15 months, but at least once each calendar year, for critical valve numbers 551 & 761.

The VA SCC inspector noted this finding during the 2008 inspection of City records. The VA SCC followed-up with correspondence to the City regarding this matter.

5. § 192.605 Procedural manual for operations, maintenance, and emergencies.

- (a) *General.* Each operator shall prepare and follow for each pipeline, a manual of written procedures for conducting operations and maintenance activities and for emergency response. For transmission lines, the manual must also include procedures for handling abnormal operations. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least once each calendar year. This manual must be prepared before operations of a pipeline system commence. Appropriate parts of the manual must be kept at locations where operations and maintenance activities are conducted.**

CPF 1-2010-0006W

The City's contractor (Henkels & McCoy) failed to correctly install an excess flow valve in accordance with written manufacturer's procedures, and as required by City's O&M procedures. The City contractor installed an excess flow valve backwards at 1121 Hyde Lane in Henrico County, Virginia.

The VA SCC inspector noted this finding during the 2008 inspection of City records. The VA SCC followed-up with correspondence to the City regarding this matter.

Under 49 United States Code, § 60122, you are subject to a civil penalty not to exceed \$100,000 for each violation for each day the violation persists up to a maximum of \$1,000,000 for any 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 City of Richmond, VA 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 1-2010-0006W**. 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,

Byron E. Coy, PE
Director, Eastern Region
Pipeline and Hazardous Materials Safety Administration

Cc: VA SCC