

November 13, 2015

Mr. Robert Steidel
Director
City of Richmond Department of Public Utilities
730 East Broad Street
Richmond, VA 23219

Re: CPF No. 1-2015-0008

Dear Mr. Steidel:

Enclosed please find the Final Order issued in the above-referenced case. It makes a finding of violation and specifies actions that need to be taken by the City of Richmond to comply with the pipeline safety regulations. When the terms of the compliance order have been completed, as determined by the Director, Eastern Region, Office of Pipeline Safety, this enforcement action will be closed. Service of the Final Order by certified mail is deemed effective upon the date of mailing, or as otherwise provided under 49 C.F.R. § 190.5.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

cc: Mr. Byron Coy, PE, Director, Eastern Region, OPS
Mr. Alfred Scott, Deputy Director, City of Richmond
Mr. Sang J. Yi, Engineer III, City of Richmond

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

)	
In the Matter of)	
)	
City of Richmond,)	CPF No. 1-2015-0008
)	
Respondent.)	
)	

FINAL ORDER

From June 3 through 6, 2013, pursuant to 49 U.S.C. § 60117, an inspector of the Virginia State Corporation Commission (VA-SCC), acting as an agent for the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of the City of Richmond, Department of Public Utilities (City of Richmond or Respondent) in Richmond, Virginia. The City of Richmond is a municipally owned gas system that operates 1,865 miles of main pipelines and 91,487 miles of service pipelines in the Richmond, Virginia metropolitan region.¹

As a result of the inspection, the Director, Eastern Region, OPS (Director), issued to Respondent, by letter dated March 17, 2015, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that the City of Richmond had violated 49 C.F.R. § 192.465 and proposed ordering Respondent to take certain measures to correct this violation.

The City of Richmond responded to the Notice by letter dated April 8, 2015 (Response). Respondent did not contest the alleged violation but requested an extension to prepare an appropriate response to the Notice. On April 27, 2015, PHMSA Eastern Region granted the extension, allowing the City of Richmond to respond by May 18, 2015.

On May 15, 2015, Respondent again responded to the Notice (Second Response). In its Second Response, the City of Richmond did not contest the allegation of violation as stated in the Notice, but requested additional time to complete the tasks in the proposed compliance order.

Respondent did not request a hearing and therefore has waived its right to one.

¹ Pipeline Safety Violation Report (Violation Report), (March 17, 2015) (on file with PHMSA), at 1.

FINDING OF VIOLATION

In its Response the City of Richmond did not contest the allegation that it violated 49 C.F.R. Part 192.465, as follows:

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 192.465(a), which states:

§ 192.465 External corrosion control: Monitoring.

(a) Each pipeline that is under cathodic protection must be tested at least once each calendar year, but with intervals not exceeding 15 months, to determine whether the cathodic protection meets the requirements of § 192.463. However, if tests at those intervals are impractical for separately protected short sections of mains or transmission lines, not in excess of 100 feet (30 meters), or separately protected service lines, these pipelines may be surveyed on a sampling basis. At least 10 percent of these protected structures, distributed over the entire system must be surveyed each calendar year, with a different 10 percent checked each subsequent year, so that the entire system is tested in each 10-year period.

The Notice alleged that Respondent violated 49 C.F.R. § 192.465(a) by not testing two pipelines under cathodic protection once each calendar year, but with intervals not exceeding 15 months. Specifically, the City of Richmond's corrosion control monitoring procedures call for sampling separately protected short sections of pipe at a 10% sampling basis.² From June 3 through 6 2013, when inspecting Respondent's list of short sections of pipe to be inspected at a 10% sampling basis, the VA-SCC inspector identified two isolated short sections of pipe that were not on the list – Bethlehem Road and 2217 Nortonia Road, and had subsequently never been monitored for cathodic protection. This finding was documented in a July 2, 2013 VA-SCC Notice of Inspection. Further, the City of Richmond acknowledged the 2217 Nortonia Road section was not on the list, and could not supply records showing the Bethlehem Road section had ever been monitored on a 10% sampling basis.

Respondent did not contest this allegation of violation. Accordingly, based upon a review of all of the evidence, I find that Respondent violated 49 C.F.R. § 192.465(a) by not testing the Bethlehem Road and 2217 Nortonia Road short sections at least once each calendar year, but with intervals not exceeding 15 months.

This violation is a repeat violation of CPF 1-2013-0003 Item 1, and CPF 1-2011-0001 Item 3.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to Item 1 in the Notice for violating 49 C.F.R. § 192.465(a). In its Second Response, the City of Richmond stated it was developing and

² See Notice at 2 (The City of Richmond's "procedure titled 'Corrosion Control Monitoring' revised 10/15/2012 paragraph IV.C.1 requires corrosion monitoring of separately protected short sections of pipe, and isolated services using a 10% sampling basis.").

implementing a plan to update its list of short sections of pipe to be inspected at a 10% sampling basis, so as to account for all isolated short sections of pipe – including the sections at Bethlehem Road and 2217 Nortonia Road. Further, Respondent requested additional time to complete the items specified in the proposed compliance order for Item 1. Upon review of the City of Richmond's request, I have modified the compliance order so that Respondent will have additional time to complete the items delineated therein.

Pursuant to the authority of 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is therefore ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations:

With respect to the violation of § 192.465(a) (**Item 1**), Respondent must –

- 1) Plan and conduct a field survey to assure all isolated segments are accounted for in Respondent's cathodic protection program. After accounting for all isolated segments, the City must also then complete any identified cathodic protection remediation;
- 2) Assure all isolated segments are accounted for in Respondent's cathodic protection program within 330 days after receipt of the Final Order;
- 3) Complete any needed cathodic protection remediation work within one and a half (1.5) years after receipt of the Final Order;
- 4) It is requested (not mandated) that the City of Richmond maintain documentation of the safety improvement costs associated with fulfilling this Compliance Order and submit the total to Byron Coy, PE, Director, Eastern Region, Pipeline and Hazardous Materials Safety Administration. It is requested that these costs be reported in two categories: 1) total cost associated with preparation/revision of plans, procedures, studies and analyses, and 2) total cost associated with replacements, additions, and other changes to pipeline infrastructure.

The Director may grant an extension of time to comply with any of the required items upon a written request timely submitted by the Respondent and demonstrating good cause for an extension.

Failure to comply with this Order may result in administrative assessment of civil penalties not to exceed \$200,000 for each violation for each day the violation continues or in referral to the Attorney General for appropriate relief in a district court of the United States.

Under 49 C.F.R. § 190.243, Respondent has a right to submit a Petition for Reconsideration of this Final Order. The petition must be sent to: Associate Administrator, Office of Pipeline Safety, PHMSA, 1200 New Jersey Avenue, SE, East Building, 2nd Floor, Washington, DC 20590, with a copy sent to the Office of Chief Counsel, PHMSA, at the same address. PHMSA will accept petitions received no later than 20 days after receipt of service of this Final Order by the Respondent, provided they contain a brief statement of the issue(s) and meet all other requirements of 49 C.F.R. § 190.243. Unless the Associate Administrator, upon request, grants a

stay, the terms and conditions of this Final Order are effective upon service in accordance with 49 C.F.R. § 190.5.

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Date Issued