

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 21, 2011

Steven Boyd
Vice President Field Operations
Suburban Propane
3161 Cameron Park Drive, No. 207
Cameron Park, CA 95682

CPF 2-2011-0001W

Dear Mr. Boyd:

On January 26-28, 2011, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA) inspected the procedures, records, and facilities of four Suburban Propane (Suburban) liquefied petroleum gas (LPG) pipeline systems in Sarasota, Florida, pursuant to Chapter 601 of 49 United States Code. The Suburban LPG systems inspected served the Siesta Royal Apartments, the Sea Crest Apartments, the Fairway Crossing Apartments, and the Siesta Sun Apartments.

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

- 1. §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. This manual must be reviewed and updated by the operator at intervals not exceeding 15 months, but at least one 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.**

Suburban did not properly prepare and follow a manual of written procedures for conducting operations and maintenance activities and for emergency response. While the operator had a manual dated January 3, 2011, the manual was generic and contained no site specific operations and maintenance procedures or site specific procedures for emergency response.

2. §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.

Suburban did not test each of its pipelines under cathodic protection in calendar years 2009 and 2010. A review of Suburban's cathodic protection records revealed sporadic and incomplete cathodic protection monitoring. The only cathodic protection monitoring tests found in the records for 2009 and 2010 were the December 17, 2009, tests at the Siesta Royal Apartments and the December 16, 2009, tests performed at the Fairway Crossing Apartments.

3. §192.465 External corrosion control: Monitoring.

.... (d) Each operator shall take prompt remedial action to correct any deficiencies indicated by the monitoring.

Suburban did not take prompt remedial actions to correct deficiencies, i.e. unsatisfactory levels of cathodic protection indicated by low¹ pipe-to-soil (p/s) readings, found during cathodic protection surveys conducted in June 2008 and in December 2009 at the Siesta Royal Apartments.

- The June 2008 p/s readings were taken along the pipeline at 20-foot intervals starting at the 1,000 gallon tank location and ending at the 500 gallon tank location. Most of the June 2008 p/s readings were in the range of $-15mV$ to $-515mV$.
- The December 2009 p/s readings were taken along the pipeline at 20-foot intervals starting at Apartment 58 and ending at the laundry facility. Most of the p/s readings were in the range of $-9mV$ to $-520mV$.

Suburban did not take prompt remedial actions to correct deficiencies, i.e. unsatisfactory levels of cathodic protection indicated by low p/s readings, found during cathodic protection surveys conducted in June 2008 and in March 2009 at the Siesta Sun Apartments.

- The June 2008 p/s readings were in the range of $-15 mV$ to $-650 mV$.
- The March 2009 p/s readings were in the range of $-15 mV$ to $-210 mV$.

During the PHMSA inspection on January 27, 2011, field tests at selected cathodic protection test stations were conducted. These tests revealed low p/s readings as follows:

Siesta Royal Apartments

- $762mV$ (unit 51) on the 1¼-inch galvanized steel, dug up
- $123mV$ (unit 57) on the copper tubing riser
- $598mV$ (unit 28) on the 1¼-inch galvanized steel, dug up

¹ The criteria for cathodic protection are contained in 49 CFR Part 192, Appendix D. The criteria being referenced in this letter is negative (cathodic) voltage of at least $850mV$ with reference to a saturated copper-copper sulfate half cell with protective current applied. Accordingly, a "low" p/s reading is a reading less negative than $850mV$.

Siesta Sun Apartments

- 723mV (unit 7) on the 1¼-inch galvanized steel, exposed
- 182mV (unit 1) on the copper tubing riser (insulated from main line)
- 048mV (unit 7) on the copper tubing riser (insulated from main line)

Fairway Crossing Apartments

- 605mV (Apt. A-25)
- 422mV (Tank#4)
- 708mV (Tank#2)
- 530mV (Tank#1)

4. §192.723 Distribution systems: Leakage surveys.

(a) Each operator of a gas distribution system shall conduct periodic leakage surveys in accordance with this section.

(b) The type and scope of the leakage control program must be determined by the nature of the operations and the local conditions, but it must meet the following minimum requirements:

(1) A leakage survey with leak detector equipment must be conducted in business districts, including tests of the atmosphere in gas, electric, telephone, sewer, and water system manholes, at cracks in pavement and sidewalks, and at other locations providing an opportunity for finding gas leaks, at intervals not exceeding 15 months, but at least once each calendar year.

Suburban did not conduct periodic leakage surveys with leak detector equipment in business districts along its pipeline system at intervals not exceeding 15 months, but at least once in calendar years 2009 and 2010. That is, Suburban did not provide any records to demonstrate that it had conducted leakage surveys in business districts with leak detector equipment in accordance with the prescribed intervals.

5. §192.723 Distribution systems: Leakage surveys.

(a) Each operator of a gas distribution system shall conduct periodic leakage surveys in accordance with this section.

(b) The type and scope of the leakage control program must be determined by the nature of the operations and the local conditions, but it must meet the following minimum requirements:

... (2) A leakage survey with leak detector equipment must be conducted outside business districts as frequently as necessary, but at least once every 5 calendar years at intervals not exceeding 63 months. However, for cathodically unprotected distribution lines subject to §192.465(e) on which electrical surveys for corrosion are impractical, a leakage survey must be conducted at least once every 3 calendar years at intervals not exceeding 39 months.

Suburban did not conduct periodic leakage surveys with leak detector equipment outside of business districts along its pipeline system at least once every 5 calendar years and at intervals not exceeding 63 months. That is, Suburban did not provide any records to

demonstrate that it had conducted leakage surveys outside of business districts with leak detector equipment in accordance with the prescribed intervals.

6. §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.

(b) Each operator must take prompt remedial action to correct any valve found inoperable, unless the operator designates an alternative valve.

Suburban did not check and service each valve in its distribution system that may be necessary for the safe operation of its distribution system in calendar years 2009 and 2010. The last valve inspections shown in Suburban's records were conducted in June 2008 at the Sea Crest Apartments and in December 2009 at the Siesta Royal Apartments and Fairway Crossing Apartments.

7. §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.

Suburban had Fisher 64SR regulators installed on 500-gallon and 1,000-gallon underground LPG tanks. These regulators are ½-inch in size with a ¼-inch orifice and have pressure ratings of 250 psig at the inlet and 5-35 psig at the outlet.

Suburban did not to inspect and test these regulators in calendar year 2010; the last inspection was done in December 2009.

Suburban did not provide any records to demonstrate that these regulators were adequate from the standpoint of capacity and reliability of operation for the service in which they are employed.

Suburban did not provide any records to demonstrate that the regulators are set to control or relieve at the correct pressure consistent with the pressure limits of §192.201(a). That is, there were no set points recorded for these regulators and the capacity at the inlet pressure and the capacity at the outlet pressure were not calculated.

8. §192.625 Odorization of gas

(a) A combustible gas in a distribution line must contain a natural odorant or be odorized so that at a concentration in air of one-fifth of the lower explosive limit, the

gas is readily detectable by a person with a normal sense of smell.

.... (f) **To assure the proper concentration of odorant in accordance with this section, each operator must conduct periodic sampling of combustible gases using an instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable.**

(See also NFPA 58, Section 4.2.3, LP- Gas Odorization)

Suburban did not conduct periodic sampling (“sniff tests”) to assure the proper concentration of odorant using an instrument capable of determining the percentage of gas in air at which the odor becomes readily detectable.

9. §192.355 Customer meters and regulators: Protection from damage.

.... (c) **Pits and vaults. Each pit or vault that houses a customer meter or regulator at a place where vehicular traffic is anticipated must be able to support that traffic.**

(See also NFPA 59, Section 7.8.1, Protection of Container Accessories)

Suburban did not protect the vaults in which the regulators are housed from vehicular traffic. These vaults do not appear to be capable of supporting vehicular traffic. Also, the underground LPG tanks were not secured from unauthorized operation, i.e. no locks.

10. §192.491 Corrosion control records.

(a) **Each operator shall maintain records or maps to show the location of cathodically protected piping, cathodic protection facilities, galvanic anodes, and neighboring structures bonded to the cathodic protection system. Records or maps showing a stated number of anodes, installed in a stated manner or spacing, need not show specific distances to each buried anode.**

(b) **Each record or map required by paragraph (a) of this section must be retained for as long as the pipeline remains in service.**

(c) **Each operator shall maintain a record of each test, survey, or inspection required by this subpart in sufficient detail to demonstrate the adequacy of corrosion control measures or that a corrosive condition does not exist. These records must be retained for at least 5 years, except that records related to §§192.465(a) and (e) and 192.475(b) must be retained for as long as the pipeline remains in service.**

Suburban did not have a revised and updated system map showing the location of galvanic anodes and cathodically protected piping.

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 Suburban Propane 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 2-2011-0001W**. 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,

Wayne T. Lemoi
Director, Office of Pipeline Safety
PHMSA Southern Region

cc: Jim Maltby
Customer Service Center Manager
Suburban Propane
6991 – 15th Street East
Sarasota, Florida 34243

Thomas Ross
General Manager
Suburban Propane
6991- 15th Street East
Sarasota, Florida 34243