

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

July 30, 2014

Ms. Kathy Viehe
Interim General Manager
Gainesville Regional Utilities
301 SE 4th Avenue
Gainesville, FL 32601

CPF 2-2014-0005W

Dear Ms. Viehe:

On May 19-23, 2014, representatives of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Southern Region, Office of Pipeline Safety, pursuant to Chapter 601 of 49 United States Code, inspected the facilities, records, and procedures of Gainesville Regional Utilities (GRU) liquefied petroleum gas (LPG) pipeline systems in Gainesville, Florida. As a result of the inspection, it appears that GRU has committed probable violations of the Pipeline Safety Regulations, Title 49, Code of Federal Regulations. The items inspected and the probable violations are as follows:

- 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. 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 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.**

GRU operates both natural gas and LPG distribution pipeline systems using the same procedural manual for operations, maintenance, and emergencies. The manual was missing procedures specific to LPG operations, maintenance, and/or emergencies.

2. **§192.721 Distribution systems: Patrolling.**

... (b) **Mains in places or on structures where anticipated physical movement or external loading could cause failure or leakage must be patrolled –**

... (2) **Outside business districts, at intervals not exceeding 7 ½ months, but at least twice each calendar year.**

GRU did not provide records to demonstrate that it had patrolled the mains on its LPG pipeline system outside business districts in calendar years 2012 and 2013 at intervals not exceeding 7½ months, but at least twice each calendar year.

3. **§192.805 Qualification program.**

Each operator shall have and follow a written qualification program. The program shall include provisions to:

(a) Identify covered tasks;

GRU operates both natural gas and LPG distribution pipeline systems using the same Operation Qualification (OQ) program. The OQ program was missing covered tasks specific to LPG.

4. **§ 192.1003 What do the regulations in this subpart cover?**

General. This subpart prescribes minimum requirements for an IM program for any gas distribution pipeline covered under this part, including liquefied petroleum gas systems. A gas distribution operator, other than a master meter operator or a small LPG operator, must follow the requirements in §§ 192.1005-192.1013 of this subpart. A master meter operator or small LPG operator of a gas distribution pipeline must follow the requirements in § 192.1015 of this subpart.

GRU operates both natural gas and LPG distribution pipeline systems using the same Distribution Integrity Management Program (DIMP) but there were no references to specific LPG requirements in the DIMP.

Under 49 United States Code, § 60122, GRU is subject to a civil penalty not to exceed \$ 200,000 per violation per day the violation persists up to a maximum of \$2,000,000 for a related series of violations. For violations occurring prior to January 4, 2012, the maximum penalty may not exceed \$100,000 per violation per day, with a maximum penalty not to exceed \$1,000,000 for a 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 GRU 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 2-2014-0005W**. 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: Anthony Hewitt
Gas T & D Manager
3805 N.W. 97th Blvd.
Gainesville, FL 32606