



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

233 Peachtree Street Ste. 600
Atlanta, GA 30303

WARNING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

October 16, 2014

Ms. Lori McGriff
President
Emmer Development Corporation
2801 SW Archer Rd.
Gainesville, FL 32608

CPF 2-2014-0018W

Dear Ms. McGriff:

On June 18, 2014, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Southern Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, inspected the Sunrise Apartments records and facilities at the Sunrise Apartments in Pensacola, Florida.

As a result of our investigation, it appears that Sunrise Apartments 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. **§192.481 Atmospheric corrosion control: Monitoring**
 - (a) **Each operator must inspect each pipeline or portion of pipeline that is exposed to atmosphere for evidence of atmospheric corrosion, as follows:**

If the pipeline is located:	Then the frequency of inspection is:
Onshore	At least once every 3 calendar years, but with intervals not exceeding 39 months
Offshore	At least once each calendar year, but with intervals not exceeding 15 months

The Sunrise Apartments did not present records to demonstrate that it had inspected its onshore pipeline exposed to the atmosphere for evidence of atmospheric corrosion at least once every 3 calendar years, but with intervals not exceeding 39 months.

2. §192.625 Odorization of gas.

... (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. Operators of master meters systems may comply with this requirement by-

- (1) Receiving written verification from their gas source that the gas has the proper concentration of odorant; and
- (2) Conducting periodic "sniff" test at the extremities of the system to confirm that the gas contains odorant.

Sunrise Apartments did not present records to demonstrate that it had assured the proper concentration of odorant in its pipeline system by receiving written verification from its gas source that the gas has the proper concentration of odorant and by conducting periodic "sniff" tests at the extremities of the system to confirm that the gas contains odorant.

3. §192.721 Distribution systems: Patrolling.

(a) The frequency of patrolling mains must be determined by the severity of the conditions which could cause failure or leakage, and the consequent hazards to public safety.

Sunrise Apartments did not present records to demonstrate that it conducted patrols of the pipeline system mains.

4. §192.723 Distribution systems: Leakage surveys.

(a) Each operator of a 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...

Sunrise Apartments did not present records to demonstrate that it conducted leakage surveys of the pipeline system outside a business district at least once every 5 calendar years at intervals not exceeding 63 months.

5. §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.

Sunrise Apartments did not present records to demonstrate that it inspected and tested the pressure regulating device at intervals not exceeding 15 months, but at least once each calendar year.

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.

Sunrise Apartments did not present records to demonstrate that it checked and serviced each valve necessary for the safe operation of its distribution system at intervals not exceeding 15 months, but at least once each calendar year.

7. §192.1015 What must a master meter or small liquefied petroleum gas (LPG) operator do to implement this subpart?

- (a) General. No later than August 2, 2011 the operator of a master meter system or a small LPG operator must develop and implement an IM program that includes a written IM plan as specified in paragraph (b) of this section. The IM program for these pipelines should reflect the relative simplicity of these types of pipelines.

Sunrise Apartments did not present records to demonstrate that it had developed and implemented an Integrity Management program.

Under 49 United States Code, §60122, Sunrise Apartments 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 Sunrise Apartments 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 2-2014-0018W**. 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: Ms. Kim Sawyer
Manager
Sunrise Apartments
4350 W. Fairfield Drive
Pensacola, FL 32505