



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

400 Seventh Street, S.W.
Washington, D.C. 20590

MAY 19 2005

Mr. Doug Lanier
Vice President of Operations
Chevron U.S.A. Inc.
935 Gravier St.
New Orleans, LA 70112

Re: CPF No. 4-2003-7001

Dear Mr. Lanier:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes a finding of violation and finds that you have completed the actions specified in the Notice to comply with the pipeline safety regulations. This case is now closed. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

Sincerely,

James Reynolds
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590

In the Matter of)	
Chevron U.S.A. Inc.,)	
Respondent)	CPF No. 4-2003-7001

FINAL ORDER

On June 16 - 20, 2003, pursuant to 49 U.S.C. § 60117, a representative of the Office of Pipeline Safety (OPS), Research and Special Programs Administration (RSPA), conducted an on-site pipeline safety inspection of Respondent's operations and maintenance procedures for offshore liquid pipeline systems in Louisiana.¹ As a result of the inspection, the Director, Southwest Region, OPS, issued to Respondent, by letter dated December 15, 2003, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. § 195.402(c)(3) and proposed that Respondent take certain measures to correct the alleged violation.

Respondent responded to the Notice by letter dated January 13, 2004 (Response). Respondent did not contest the allegation of violation and provided information concerning the corrective action it has taken. Respondent also submitted a copy of its procedures. Respondent did not request a hearing, and therefore has waived its right to one.

FINDING OF VIOLATION

In its Response, Respondent did not contest the violation alleged in the Notice. Accordingly, I find that Respondent violated the following section of 49 C.F.R. Part 195, as more fully described in the Notice:

49 C.F.R. § 195.402(c)(3) – failing to include in its manual for operations and maintenance procedures for operating scraper and sphere facilities in accordance with the requirements of § 195.426.

¹ On November 30, 2004, the Norman Y. Mineta Research and Special Programs Improvement Act, Pub. L. No. 108-426, 118 Stat. 2423, created the Pipeline and Hazardous Materials Safety Administration (PHMSA) and transferred the authority of RSPA exercised under chapter 601 of title 49, United States Code, to the Administrator of PHMSA. See also 70 Fed. Reg. 8299, 8301-8302 (2005) (delegating authority to the Administrator of PHMSA).

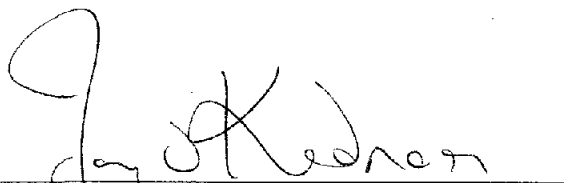
This finding of violation will be considered a prior offense in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order for the violation. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of hazardous liquids or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under Chapter 601. The Director, Southwest Region, OPS has indicated that Respondent has taken the following actions specified in the Proposed Compliance Order:

Respondent has incorporated into its operations and maintenance manual adequate procedures for operating scraper and sphere facilities in accordance with § 195.426.

Accordingly, since compliance has been achieved with respect to this violation, it is not necessary to include the compliance terms in this Order. The terms and conditions of this Final Order are effective on receipt.



5.91
Stacey Gerard
Associate Administrator
for Pipeline Safety

MAY 19 2005

Date Issued