



U.S. Department
of Transportation

**Research and
Special Programs
Administration**

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

AUG 24 2004

Mr. Randy West
Vice President of Operations
El Paso Field Services
4 Greenway Plaza
Houston, TX 77046

RE: CPF No. 4-2004-7001

Dear Mr. West:

Enclosed is a Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes a finding of violation of pipeline safety standards. Your receipt of the Final Order constitutes service of that document under 49 C.F.R. § 190.5.

I acknowledge receipt of, and accept the wire transfer dated February 19, 2004, in the amount of \$5,000 as payment in full of the civil penalty. This case is now closed and no further enforcement action is contemplated with the respect to the matters involved in this case. Thank you for your cooperation in our joint effort to ensure pipeline safety.

Sincerely,

James Reynolds
Pipeline Compliance Registry
Office of Pipeline Safety

Enclosure

cc: Mr. James R. McDonald
El Paso Field Services
DOT Compliance

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

DEPARTMENT OF TRANSPORTATION
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, DC 20590

In the Matter of)
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El Paso Field Services)
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Respondent.)
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_____)

CPF No. 4-2004-7001

FINAL ORDER

On October 20-24, 2003, pursuant to 49 U.S.C. § 60117, representatives of the Office of Pipeline Safety (OPS) conducted an on-site pipeline safety inspection of Respondent's facilities and records in Houma, Louisiana (Poseidon pipeline system). As a result of the inspection, the Director, Southwest Region, OPS, issued to Respondent, by letter dated January 21, 2004, a Notice of Probable Violation and Proposed Civil Penalty (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Respondent had violated 49 C.F.R. § 195 and proposed assessing a civil penalty of \$5,000 for the alleged violation.

FINDING OF VIOLATION

Respondent responded by letter dated February 17, 2004, but did not contest the alleged violation of 49 C.F.R. Part 195 in the Notice. Accordingly, I find that Respondent violated the following section Part 195, as more fully described in the Notice:

49 C.F.R. § 195.420(b) – failure to inspect mainline valves PH1, PH2, PH3, PH4 and PH5 on the Poseidon pipeline system at least twice a year. The operator exceeded the required inspection interval by approximately 45 days.

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

ASSESSMENT OF PENALTY

Under 49 U.S.C. § 60122, Respondent is subject to a civil penalty not to exceed \$100,000 per violation for each day of the violation up to a maximum of \$1,000,000 for any related series of violations.

49 U.S.C. § 60122 and 49 C.F.R. § 190.225 require that, in determining the amount of the civil penalty, I consider the following criteria: nature, circumstances, and gravity of the violation, degree of Respondent's culpability, history of Respondent's prior offenses, Respondent's ability to pay the penalty, good faith by Respondent in attempting to achieve compliance, the effect on Respondent's ability to continue in business, and such other matters as justice may require.

Accordingly, having reviewed the record and considered the assessment criteria, I assess a civil penalty of \$5,000, already paid by Respondent. The terms and conditions of this Final Order are effective upon receipt.



Stacey Gerard
Associate Administrator
for Pipeline Safety

AUG 24 2004

Date Issued