U.S. Department
of Transportation

**Research and
Special Programs
Administration**

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

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SEP 20 2004

Ronald A. Rushton
Executive Vice President
Shore Terminals LLC
2801 Waterfront Road
Martinez, California 94553

Re: CPF No. 5-2001-0010

Dear Mr. Rushton:

Enclosed is the Final Order issued by the Associate Administrator for Pipeline Safety in the above-referenced case. It makes findings of violation and specifies actions to be taken to comply with the pipeline safety regulations. When the terms of the compliance order are completed, as determined by the Director, Western Region, this enforcement action will be closed. Your receipt of this 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

cc: Richard Brandes, Director, Environmental Services

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

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

In the Matter of	)	
Shore Terminals LLC,	)	CPF No. 5-2001-0010
Respondent	)	

FINAL ORDER

On October 2, 2001, pursuant to 49 U.S.C. § 60117, a representative of the Office of Pipeline Safety (OPS) conducted an on-site pipeline safety inspection of Respondent's facilities and records in Martinez, California. As a result of the inspection, the Director, Western Region, OPS, issued to Respondent, by letter dated November 1, 2001, 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 committed violations of 49 C.F.R. Part 192 and proposed that Respondent take certain measures to correct the alleged violations.

Respondent responded to the Notice by letter dated November 8, 2001 (Response). Respondent did not contest the allegations of violation and stated that it intended to comply with the Proposed Compliance Order. By letter dated February 28, 2002, Respondent provided information concerning the corrective action it had taken. The Director, Western Region, OPS, informed Respondent, by letter dated September 17, 2002, that Respondent had not adequately addressed the items of the Proposed Compliance Order. Respondent did not request a hearing and therefore has waived its right to one.

FINDINGS OF VIOLATION

In its Response, Respondent did not contest the alleged violations in the Notice. Accordingly, I find that Respondent violated the following sections of 49 C.F.R. Part 192, as more fully described in the Notice:

> 49 C.F.R. § 192. 605(a) – failing to have a manual of written procedures for conducting normal and abnormal operations, maintenance activities, and for emergency response, meeting each of the applicable requirements of § 192.605;

49 C.F.R. § 192. 605(b)(1) – failing to have procedures for operating, maintaining and repairing the pipeline in accordance with each of the applicable requirements of subparts L and M of Part 192;

49 C.F.R. § 192.603(b) – failing to conduct formal recordkeeping necessary to administer the procedures established under § 192.605; and

49 C.F.R. § 192.707(d) – failing to place and maintain line markers with the words "Gas (or the name of the gas transported) Pipeline" and a telephone number where Respondent can be reached at all times. Respondent used line markers intended for petroleum pipelines that provided an incorrect telephone number.

These findings of violation will be considered prior offenses in any subsequent enforcement action taken against Respondent.

COMPLIANCE ORDER

The Notice proposed a compliance order with respect to the violations of 49 C.F.R. Part 192. Under 49 U.S.C. § 60118(a), each person who engages in the transportation of gas or who owns or operates a pipeline facility is required to comply with the applicable safety standards established under Chapter 601. Respondent provided information concerning corrective action it had taken, but the information provided did not adequately address the items in the Proposed Compliance Order. Accordingly, pursuant to the authority of 49 U.S.C. § 60118(b) and 49 C.F.R. § 190.217, Respondent is ordered to take the following actions to ensure compliance with the pipeline safety regulations applicable to its operations. Respondent must:

1. Prepare and follow a manual of written procedures for conducting normal and abnormal operations, maintenance activities, and for emergency response meeting the requirements of § 192.605.

2. Prepare and follow written procedures for operating, maintaining, and repairing the pipeline in accordance with each of the applicable requirements of subparts L and M of Part 192. If one or more requirements are not applicable to Respondent's pipeline system, list each inapplicable code section and explain why the section is not applicable to Respondent's system.

3. Establish and maintain recordkeeping necessary to administer the procedures established under § 192.605.

4. Install pipeline markers that comply with § 192.707 for buried and aboveground portions of pipeline.

5. Complete Items 1 – 4 above within 30 days of the date of this order and submit documentation confirming compliance to the Director, Western Region, Office of Pipeline Safety, Research and Special Programs Administration, 12300 W. Dakota Avenue, Suite 110, Lakewood, Colorado 80228.

The Director, Western Region, OPS, may grant an extension of time to comply with any of the required items upon a written request by the Respondent demonstrating good cause for an extension.

Failure to comply with this Final Order may result in the assessment of civil penalties of up to $100,000 per violation per day, or in the referral of the case for judicial enforcement.

Under 49 C.F.R. § 190.215, Respondent has a right to submit a Petition for Reconsideration of this Final Order. The petition must be received within 20 days of Respondent's receipt of this Final Order and must contain a brief statement of the issue(s). The terms of the order, including any required corrective action, remain in full effect unless the Associate Administrator, upon request, grants a stay. The terms and conditions of this Final Order are effective on receipt.

William H Cuta
for

Stacey Gerard
Associate Administrator
for Pipeline Safety

SEP 20 2004

Date Issued