



U.S. Department
of Transportation
Pipeline and Hazardous Materials
Safety Administration

FEB - 5 2009

1200 New Jersey Ave., SE
Washington, DC 20590

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Mr. Robert P. Carone
President
Pacific Operators Offshore, LLC
P.O. Box 5565
Oxnard, California 93031

Re: CPF No. 5-2004-2002

Dear Mr. Carone:

Enclosed is the Decision on the Petition for Reconsideration in the above-referenced case. The Associate Administrator for Pipeline Safety affirms the finding and civil penalty issued for violation 1 of the February 6, 2007 Final Order. Therefore, the petition is denied, and payment of the full \$10,000 is due within 20 days following receipt of this decision. Your receipt of this decision constitutes service under 49 C.F.R. § 190.5.

Sincerely,

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

cc: Chris Hoidal, Director, Western Region

DISCUSSION

The operator is responsible for filing an annual report, even if the information has not changed from the previously-filed report. PHMSA cannot make any assumptions about the content of a report an operator has failed to file. Data is central to PHMSA's regulatory approach. 49 C.F.R. Part 191 ensures that PHMSA receives current information about pipeline infrastructure. When a pipeline operator fails to submit an annual report, PHMSA, and state and local governments that PHMSA shares information with, must rely on data that may be incomplete in conducting planning activities and in compiling statistics and reports. The statistics and reports are critical for assessing the state of our nation's pipeline infrastructure.

As noted above, the \$2000 civil penalty assessed in the final order was significantly reduced from the \$6000 civil penalty proposed in the Notice. Petitioner did not provide an additional basis for further reduction.

Relief Denied

Accordingly, the petition for reconsideration is hereby denied. The civil penalty of \$10,000 assessed in the Final Order stands.

Accordingly, payment of the civil penalty must be made within 20 days of service. Payment may be made by sending a certified check or money order (containing the CPF Number for this case) payable to "U.S. Department of Transportation" to the Federal Aviation Administration, Mike Monroney Aeronautical Center, Financial Operations Division (AMZ-341), P.O. Box 25082, Oklahoma City, OK 73125.

Federal regulations (49 C.F.R. § 89.21(b)(3)) also permit this payment to be made by wire transfer, through the Federal Reserve Communications System (Fedwire), to the account of the U.S. Treasury. Detailed instructions are contained in the enclosure. Questions concerning wire transfers should be directed to: Financial Operations Division (AMZ-341), Federal Aviation Administration, Mike Monroney Aeronautical Center, P.O. Box 25082, Oklahoma City, OK 73125; (405) 954-8893.

This decision on reconsideration is the final agency action in this proceeding.

William H. Gule
for

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

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Date Issued