

NOV 5 2009

Mr. Bruce Johnston
Operations Superintendent
Pacific Operators Offshore
P.O. Box 5565
Oxnard, CA 93031

RE: CPF No. 5-2006-5036

Dear Mr. Johnston:

Enclosed is the Final Order issued in the above-referenced case. It makes findings of violation and finds that Pacific Operators Offshore has completed the actions specified in the Notice required 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.

Thank you for your cooperation in this matter.

Sincerely,

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Enclosure

cc: Chris Hoidal, Director, Western Region, Office of Pipeline Safety

CERTIFIED MAIL – RETURN RECEIPT REQUESTED [7009 1410 0000 2464 5874]

**U.S. DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION
OFFICE OF PIPELINE SAFETY
WASHINGTON, D.C. 20590**

_____)	
In the Matter of)	
)	
Pacific Operators Offshore,)	CPF No. 5-2006-5036
)	
Respondent.)	
_____)	

FINAL ORDER

On April 11 and 12, 2006, pursuant to 49 U.S.C. § 60117, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), Office of Pipeline Safety (OPS), conducted an on-site pipeline safety inspection of the facilities and records of Pacific Operators Offshore (Pacific or Respondent) in Carpinteria, California. Pacific operates a 6.38-mile, 10-inch pipeline that transports crude oil from the two offshore platforms to an onshore processing facility.

As a result of the inspection, the Director, Western Region, OPS (Director), issued to Respondent, by letter dated September 26, 2006, a Notice of Probable Violation and Proposed Compliance Order (Notice). In accordance with 49 C.F.R. § 190.207, the Notice proposed finding that Pacific had violated 49 C.F.R. Part 192 and proposed ordering Respondent to take certain measures to correct the alleged violation.

Pacific responded to the Notice by letter dated November 2, 2006 (Response). Respondent did not contest the allegations of violation and provided documentation of the steps the company had taken to complete the actions specified in the Notice. Pacific did not request a hearing and therefore has waived its right to one.

FINDING OF VIOLATION

In its Response, Pacific did not contest the allegation in the Notice that it violated 49 C.F.R. Part 192, as follows:

Item 1: The Notice alleged that Respondent violated 49 C.F.R. § 195.452(c)(1)(i)(A), which states:

§ 195.452 Pipeline integrity management in high consequence areas.

(a) . . .

(c) *What must be in the baseline assessment plan?* (1) An operator must include each of the following elements in its written baseline assessment plan:

(i) The methods selected to assess the integrity of the line pipe. An operator must assess the integrity of the line pipe by any of the following methods. The methods an operator selects to assess low frequency electric resistance welded pipe or lap welded pipe susceptible to longitudinal seam failure must be capable of assessing seam integrity and of detecting corrosion and deformation anomalies.

(A) Internal inspection tool or tools capable of detecting corrosion and deformation anomalies including dents, gouges and grooves;

The Notice alleged that on April 24, 2004, Pacific used a magnetic flux leakage (MFL) tool to assess the integrity of a pipeline segment. However, that MFL tool was not capable of detecting all of the potential deformation anomalies that could affect that segment, including dents. Accordingly, I find that Respondent violated 49 C.F.R. § 195.452(c)(1)(i)(A) by failing to properly assess the integrity of its pipeline with an internal inspection tool or tools capable of detecting deformation anomalies.

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 with respect to Item 1 for a violation of 49 C.F.R. § 192.452(c)(1)(i)(A). 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. The Director has indicated that Respondent has taken the following actions specified in the proposed compliance order:

On November 2, 2006, Pacific submitted a report, dated September 13, 2006, describing the results of the August 2006 internal geometry and metal loss tool runs it performed on its 10-inch Houchin-La Conchita crude oil pipeline. The data obtained during those tool runs was of acceptable quality and satisfied the requirements of 49 C.F.R. §192.452(c)(1)(i)(A).

Accordingly, since compliance has been achieved with respect to this violation, the compliance terms are not included in this Order.

The terms and conditions of this Final Order shall be effective upon receipt.

Jeffrey D. Wiese
Associate Administrator
for Pipeline Safety

Date Issued