



U.S. Department
of Transportation

**Pipeline and
Hazardous Materials Safety
Administration**

SENT TO COMPLIANCE REGISTRY
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12300 W Dakota Ave , Suite 110
Lakewood, CO 80228

NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 3, 2007

Mr. Ray Marroquin
Gas Superintendent
Greka Energy
6527 Dominion Road
Santa Maria, CA 93454

CPF 5-2007-0020M

Dear Mr. Marroquin:

On September 19, 2005, a representative of the Pipeline and Hazardous Materials Safety Administration (PHMSA), pursuant to Chapter 601 of 49 United States Code, inspected your Operator Qualification program of your pipeline personnel in Santa Maria, California.

On the basis of the inspection, PHMSA has identified the apparent inadequacies found within Greka Energy's (Greka) plans or procedures, as described below:

1. Part 192.805(b) Ensure through evaluation that individuals performing covered tasks are qualified:

Greka Energy Operator Qualification Plan established evaluation methods for its pipeline personnel, but failed to document the evaluation of individuals performing covered tasks.

2. Part 192.805(c) Allow individuals that are not qualified pursuant to this subpart to perform a covered task if directed and observed by an individual that is qualified.

Greka Energy Operator Qualification Plan established provisions to allow non-qualified individuals to perform covered tasks under a qualified individual, but failed to specify limitations or restrictions for these activities.

3. Part 192.805(f) Communicate changes that affect covered tasks to individuals performing these covered tasks

Greka Energy Operator Qualification Plan failed to specify a process to notify PHMSA or appropriate regulatory agency of significant written program changes once the program has been reviewed.

4. Part 192.805(g) Identify those covered tasks and the intervals at which evaluation of the individual's qualifications is needed.

Greka Energy Operator Qualification Plan failed to specify reevaluation intervals for individuals performing covered tasks.

Response to this Notice

This Notice is provided pursuant to 49 U.S.C. § 60108(a) and 49 C.F.R. § 190.237. Enclosed as part of this Notice is a document entitled *Response Options for Pipeline Operators in Compliance Proceedings*. Please refer to this document and note the response options. Be advised that all material you submit in response to this enforcement action is subject to being made publicly available. If you believe that any portion of your responsive material qualifies for confidential treatment under 5 U.S.C. 552(b), along with the complete original document you must provide a second copy of the document with the portions you believe qualify for confidential treatment redacted and an explanation of why you believe the redacted information qualifies for confidential treatment under 5 U.S.C. 552(b). If you do not respond within 30 days of receipt of this Notice, this constitutes a waiver of your right to contest the allegations in this Notice and authorizes the Associate Administrator for Pipeline Safety to find facts as alleged in this Notice without further notice to you and to issue a Final Order.

If, after opportunity for a hearing, your plans or procedures are found inadequate as alleged in this Notice, you may be ordered to amend your plans or procedures to correct the inadequacies (49 C.F.R. § 190.237). If you are not contesting this Notice, we propose that you submit your amended procedures to my office within [number of days] days of receipt of this Notice. This period may be extended by written request for good cause. Once the inadequacies identified herein have been addressed in your amended procedures, this enforcement action will be closed.

In correspondence concerning this matter, please refer to **CPF 5-2007-0020M** and, for each document you submit, please provide a copy in electronic format whenever possible.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Hoidal". The signature is fluid and cursive, with a large initial "C" and a long, sweeping tail.

Chris Hoidal
Director, Western Region
Pipeline and Hazardous Materials Safety Administration

cc: PHP-60 Compliance Registry
PHP-500 P Nguyen, IOCS Activity no.116226

Enclosure: *Response Options for Pipeline Operators in Compliance Proceedings*